

MILITARY PERSONAL PROPERTY AND CLAIMS SYMPOSIUM

19 February 2003

Holiday Inn Eisenhower Metro Center
2460 Eisenhower Avenue
Alexandria, VA 22314

Military Chairperson

Col Silvia Signars Anderson

Industry Chairperson

Mr. Steve Hollingsworth

AGENDA SUMMARY

0830 hours - 0840 hours	Opening Comments
0840 hours - 1200 hours	Topics
1200 hours - 1300 hours	Lunch Break
1300 hours - 1400 hours	Topics
1400 hours - 1500 hours	Topics

OLD BUSINESS

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPOSERS</u>
122	619 Forms and the DTR	American Moving and Storage Association United States Transportation Command
123	New 619	American Moving and Storage Association United States Transportation Command and Personal Property Systems Team
149	Defense Transportation Regulation (DTR) - Part IV	Household Goods Forwarders Association United States Transportation Command
150	Updates to DTR - Part IV	American Moving and Storage Association United States Transportation Command
177	Review of Transit Guide (Transit Times)	Household Goods Forwarders Association United States Transportation Command
179	All Codes – Overtime Loading and Delivery Charges	Household Goods Forwarders Association Domestic and International Rates Team
180	Special Solicitations – Bidding/Award Process	Household Goods Forwarders Association Domestic and International Rates Team

and Personal Property Systems Team

OLD BUSINESS (continued)

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPOSERS</u>
189	Transit Times – Code 4 Shipments - Korea to Hawaii	Household Goods Forwarders Association Carrier Qualification and Performance Team
193	Getting Paid for NTS	American Moving and Storage Association Defense Finance and Accounting Service
202	Defense Transportation Regulation - Part IV	Household Goods Forwarders Association United States Transportation Command
203	Electronic Transmission of Documents	Household Goods Forwarders Association Carrier Qualification and Performance Team and Military Services
205	Baggage Pick Up or Delivery from SIT	Household Goods Forwarders Association Domestic and International Rates Team
211	TDR – Class 2 Rates - Low Volume Areas	Household Goods Forwarders Association Carrier Qualification and Performance Team and Personal Property Systems Team
216	In Transit Phone Numbers	American Moving and Storage Association Military Services
223	Personal Watercraft	Household Goods Forwarders Association Military Services
226	Item 508 – Crating Rates, International Solicitation	Household Goods Forwarders Association Domestic and International Rates Team
229	SIT & Warehouse Handling Rates - Okinawa	Household Goods Forwarders Association Domestic and International Rates Team
230	Inadequate Payment for Origin Services - Terminated Shipments	Household Goods Forwarders Association Domestic and International Rates Team
231	Contact Information for Base Transportation or PPSOs	Household Goods Forwarders Association Domestic and International Rates Team and Personal Property Systems Team
232	Waiting Time for Security Delays	American Moving and Storage Association Carrier Qualification and Performance Team
233	Fuel Price Adjustment for DPM/NTS	American Moving and Storage Association POV and Storage Team

OLD BUSINESS (continued)

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPONENTS</u>
234	Non-Temporary Storage - Rate Adjustments	Household Goods Forwarders Association POV and Storage Team
235	GSA Request for Documentation	American Moving and Storage Association
236	Flexibility of Dates of Service	American Moving and Storage Association Military Services

NEW BUSINESS TOPICS

244	DTR Change 1	American Moving and Storage Association United States Transportation Command
245	Long Carries - Excessive Distance	Household Goods Forwarders Association Domestic and International Rates Team
246	Acceptance of LOIs	American Moving and Storage Association Domestic and International Rates Team
247	TQAP per DTR appx. BM para C.7.c	Household Goods Forwarders Association Carrier Qualification and Performance Team
248	1840 Appeals	American Moving and Storage Association Carrier Qualification and Performance Team
249	Submission of DD 1840 to the Origin TO	Household Goods Forwarders Association Carrier Qualification and Performance Team
250	Certification of SIT Storage on DD619-1	Household Goods Forwarders Association Operations Team
251	Elimination of GBLs	American Moving and Storage Association Personal Property Programs Division and Systems Services Division
252	Issuance of GBL - Block 18 Preparation	Household Goods Forwarders Association Systems Services Division and Military Services
253	Application – Enforcement of the “Prompt Payment Act”	Household Goods Forwarders Association Defense Finance and Accounting Service and General Services Administration
254	U.S. Customs Documentation - Enhanced Compliance	American Moving and Storage Association Military Services

NEW BUSINESS TOPICS (continued)

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPONENTS</u>
255	Air Force Regionalization Implementation Merged into Item 259	American Moving and Storage Association Military Services (U.S. Air Force)
256	Air Force – Claim Set-Off Appeals	American Moving and Storage Association Military Claims Services (USAF)
257	Depreciation on Claims - “Expensive Wood”	Household Goods Forwarders Association Military Claims Services
258	On-time Household Goods Performance	Personal Property Division
259	Air Force Regionalization	American Moving and Storage Association Military Claims Services (USAF)
260	Consolidation of TQAP scores at JPPSOs adding Bases	American Moving and Storage Association Military Services (USAF)
261	Establishment of AORs	American Moving and Storage Association Military Services (USAF)
262	AF Reorganization – TQAP scores	American Moving and Storage Association Military Services (USAF)
263	Suspensions	American Moving and Storage Association Military Services (USAF)
264	Long Deliveries out of SIT vs. Deliveries out of SIT beyond 30/50 miles radius	American Moving and Storage Association Domestic and International Rates
265	Power Track	American Moving and Storage Association Military Traffic Management Command Department of Finance and Accounting
266	Saturation Notices	American Moving and Storage Association Military Services (USAF)
267	TQAP Appeals – Cover Sheets	American Moving and Storage Association Carrier Qualification and Performance
268	TQAP Appeals – Batch Mail Dates	American Moving and Storage Association Carrier Qualification and Performance

269	Loss and Damage in TQAP	American Moving and Storage Association Carrier Qualification and Performance
270	TQAP Appeals – late 1840s	American Moving and Storage Association Carrier Qualification and Performance
271	Faxing LOIs to the base	American Moving and Storage Association Carrier Qualification and Performance
272	Paper Check Conversion	American Moving and Storage Association Defense Finance and Accounting
273	Overtime Loading and Unloading	American Moving and Storage Association Domestic and International Rates
274	Carrier Re-qualification/Moratorium	American Moving and Storage Association Carrier Qualification and Performance
275	Stop Movement Orders	American Moving and Storage Association Military Services
276	Lapse in LOI coverage and the TDR	American Moving and Storage Association Carrier Qualification and Performance
277	Appeals to MTMC	American Moving and Storage Association Carrier Qualification and Performance
278	Code 3 – Ocean Carrier and Port Terminal Service Program	American Moving and Storage Association Domestic and International Rates
279	Form 619 versus Form 1840 Verification of Unpacking	American Moving and Storage Association Operations Team
280	Intra-theater Household Goods Traffic Management Program	American Moving and Storage Association Domestic and International Rates
281	Overseas Diversions From One Country to another	American Moving and Storage Association Domestic and International Rates
282	Solicitation changes to MIRF for One-Time-Only Bids	American Moving and Storage Association Domestic and International Rates
283	Two Dimensional Bar Code Military Shipping Label 2D MSL	American Moving and Storage Association Personal Property Systems

ITEM: 122

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: United States Transportation Command

SUBJECT: 619 Forms and the DTR

INITIATED: March 1, 2000

DISCUSSION: At the last M/I, in September 1999, the USTRANSCOM representative failed to notify Industry that the DTR - Part IV had been issued six weeks prior to the M/I, on August 2. The first indication that the DTR - Part IV had been approved was provided in late October, with an official copy provided to the Associations in December. We further learned that the DTR included a new version of the DD Form 619, dated October 1998. No mention of the new 619 form was made to Industry at any point within the first year of the form's existence.

Efforts to revise the DD Form 619 were the subject of several M/I items and other meetings in the early 1990s, but our records indicate that these discussions ceased in 1993 when Ms. Vivian Washington, the original point of contact, was assigned other duties in a reorganization of MTMC. We were therefore completely surprised to learn that a different version of the form was finalized and published five years later. As an example, one of the suggestions being considered was to combine the two forms.

DOD often espouses the virtues of partnering with Industry. Partnership requires some communication, and this type of form that is used on a regular basis by the Industry should have some Industry input in its design. Furthermore, once a new form is adopted, DOD needs to let us know and provide an adequate lead-time to eliminate stocks of the old version and print copies of the new one prior to implementation.

RECOMMENDATION: Military and Industry representatives should work together to determine whether the new version of the DD Form 619 and 619-1 will meet everyone's needs, including whether the forms should be combined. If the new version is determined to be superior, movers should be permitted to phase in usage of the form after exhausting their existing supplies. Some military bases are requiring agents to start using the form on April 1, 2000, or some other arbitrary date. They should be advised to work with agents to transition to

whatever version makes the most sense. Finally, Industry should be advised if any other forms are being revised.

RESPONSE: Industry expressed concern as to why the loss and damage section is on the new DD Form 619. USTRANSCOM will reexamine the 619 forms and suggested Industry provides input on problems they are experiencing with the new 619.

Industry requested to continue the use of the old DD Form 619 until their stockpile is depleted. The old DD Form 619 may be used until September 30, 2001; afterwards, Industry must use the new DD Form 619 in accordance with the newly published DTR.

August 15, 2000: Industry may use the old DD Form 619 until all supplies are exhausted. Once Industry starts using the new DD Form 619, they need to identify the problems with the form and submit them to the Military Traffic Management Command, Attn: MTPP-SH.

January 29, 2001: USTRANSCOM will publish the DTR on the Federal Register to solicit industry inputs on April 24, 2001. Industry needs to submit their inputs to USTRANSCOM by July 16, 2001. USTRANSCOM will finalize the DTR with changes on July 25, 2001.

August 10, 2001: Changes to the administrative process of updating the various parts of the DTR forced us to slide the release date for DTR Part IV, Personal Property. Upon conclusion of coordination with the Military Services, DTR Part IV will be placed on the Federal Register for public comment. We look for Service coordination by late September and anticipate making DTR Part IV available for public comment by mid-November.

February 7, 2002: It was agreed during the 15 Aug 00 meeting that "Once Industry starts using the new DD Form 619, they need to identify the problems with the form and submit them to the Military Traffic Management Command, Attn: MTPP-SH." To date, we have received no input for proposed changes to the DD 619. It should be noted that making a change to a DD form takes about 8 months to coordinate through OSD with all of the Services. Recommend this item be closed. Proposed changes will be worked when they are submitted.

SUMMARY: Industry will use the old forms until supplies are exhausted. Industry will identify any problems encountered with the new forms and report them to MTMC. Industry expressed concern as whether there is sufficient time for USTRANSCOM consider Industry's input prior to publishing the final DTR. Industry also has doubts on if there will be enough of the new DD Form 619 available.

STATUS: OPEN. Changes still being reviewed.

ESTIMATED CLOSURE: September 2003 is the projected posting date of DTR Changes.

ITEM: 123

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: United States Transportation Command and
Personal Property Systems Team

SUBJECT: New 619

INITIATED: March 1, 2000

DISCUSSION: There is no longer a 6-cube carton. It has been replaced with an 8-cube carton. Why?

Also, on the SIT section there is a new block called “ordered out” (13e). What is the purpose of this block?

If SIT delivery and re-weighs are supposed to be entered on the 619-1, why are they also listed on the 619?

RECOMMENDATION: MTMC should respond to the questions and explain how these forms are to be used.

RESPONSE:

The DD Form 619, Oct 1998 has a place for the 6 or 6.5-cube carton listed under Accessorial Services (16v.) that reads “Cartons (over 4 cu. ft/less than 7cu. Ft).” If both carton are used please list either 6 cubic or 6.5 cubic in the remarks section and place the cost in 16dd other.

The “ordered out” block is the date the Transportation Office would like property delivered out. The “Delivered Out” block is the actual date the property is delivered.

The Transportation Office has the choice to ask for a reweigh at any point of travel before the destination. The DD Form 619 “says if applicable” if not applicable please don’t use.

RESPONSE: *Industry expressed concern as to why the loss and damage section is on the new DD Form 619. Mr. Mike Cress said USTRANSCOM will reexamine the 619 form and suggested Industry provide input on problems they are experiencing with the new 619.*

Industry requested to continue the use of the old DD Form 619 until their stockpile is depleted. The old DD Form 619 may be used until September 30, 2001; afterwards, Industry must use the new DD Form 619 in accordance with the newly published DTR.

August 15, 2000: Industry may use the old DD Form 619 until all supplies are exhausted. Once Industry starts using the new DD Form 619, they need to identify the problems with the form and submit them to the Military Traffic Management Command, Attn: MTPP-SH.

January 29, 2001: USTRANSCOM will publish the DTR on the Federal Register to solicit industry inputs on April 24, 2001. Industry needs to submit their inputs to USTRANSCOM by July 16, 2001. USTRANSCOM will finalize the DTR with changes on July 25, 2001.

August 10, 2001: Changes to the administrative process of updating the various parts of the DTR forced us to slide the release date for DTR Part IV, Personal Property. Upon conclusion of coordination with the Military Services, DTR Part IV will be placed on the Federal Register for public comment. We look for Service coordination by late September and anticipate making DTR Part IV available for public comment by mid-November.

February 7, 2002: It was agreed during the 15 Aug 00 meeting that "Once Industry starts using the new DD Form 619, they need to identify the problems with the form and submit them to the Military Traffic Management Command, Attn: MTPP-SH." To date, we have received no input for proposed changes to the DD 619. It should be noted that making a change to a DD form takes about 8 months to coordinate through OSD with all of the Services. Recommend this item be closed. Proposed changes will be worked when they are submitted.

SUMMARY: Industry may use the old DD Form 619 until the supplies are exhausted. After that date Industry will use the new form and submit any problems with it to MTMC.

Industry expressed concern as whether there is sufficient time for USTRANSCOM consider Industry's input prior to publishing the final DTR.

STATUS: OPEN. This is an item that needs to be worked after the posting of the DTR Changes.

ESTIMATED CLOSURE: Projected Closure is September 03.

ITEM: 149

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: U.S. Transportation Command (USTRANSCOM)

SUBJECT: Defense Transportation Regulations (DTR) - Part IV

INITIATED: August 15, 2000

DISCUSSION: Through various channels it was determined that the newly issued DTR (August 1999) would require a review and amendment.

RECOMMENDATION: Industry should be provided an update on the status of the USTRANSCOM review and re-write/amendment of the DTR – Part IV.

RESPONSE:

January 29, 2001: USTRANSCOM will publish the DTR on the Federal Register to solicit industry inputs on April 24, 2001. Industry needs to submit their inputs to USTRANSCOM by July 16, 2001. USTRANSCOM will finalize the DTR with changes on July 25, 2001.

August 10, 2001: Changes to the administrative process of updating the various parts of the DTR forced us to slide the release date for DTR Part IV, Personal Property. Upon conclusion of coordination with the Military Services, DTR Part IV will be placed on the Federal Register for public comment. We look for Service coordination by late September and anticipate making DTR Part IV available for public comment by mid-November.

SUMMARY: Industry expressed concern as whether there is sufficient time for USTRANSCOM consider Industry's input prior to publishing the final DTR.

February 27, 2002: CD copies of the DTR-Part IV final draft were given to AMSA on February 25, 2002 and to HHGFAA on February 27, 2002. Industry will have 60 days to comment back to USTRANSCOM with USTRANSCOM responding back on the comments in 30 days. The symposium members recommended changing the estimated effective date for the DTR-Part IV to October 2002.

STATUS: OPEN

ESTIMATED CLOSURE: September 2003 after the posting of DTR changes.

ITEM: 150

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: U.S. Transportation Command (USTRANSCOM)

SUBJECT: Updates to DTR - Part IV

INITIATED: August 15, 2000

DISCUSSION: At the last M/I meeting, USTRANSCOM indicated that they were working on updates or revisions to the new DTR - Part IV. This document is obviously very important to the industry, and we would like to be involved in these revisions.

RECOMMENDATION: DOD should provide an update on the progress of the DTR revisions detailing which items are being revised or updated and the impact of the revisions.

RESPONSE:

January 29, 2001: USTRANSCOM will publish the DTR on the Federal Register to solicit industry inputs on April 24, 2001. Industry needs to submit their inputs to USTRANSCOM by July 16, 2001. USTRANSCOM will finalize the DTR with changes on July 25, 2001.

August 10, 2001: Changes to the administrative process of updating the various parts of the DTR forced us to slide the release date for DTR Part IV, Personal Property. Upon conclusion of coordination with the Military Services, DTR Part IV will be placed on the Federal Register for public comment. We look for Service coordination by late September and anticipate making DTR Part IV available for public comment by mid-November.

SUMMARY: Industry expressed concern as whether there is sufficient time for USTRANSCOM consider Industry's input prior to publishing the final DTR.

February 27, 2002: CD copies of the DTR-Part IV final draft were given to AMSA on February 25, 2002 and to HHGFAA on February 27, 2002. Industry will have 60 days to comment back to USTRANSCOM with USTRANSCOM responding back on the comments in 30 days. The symposium members recommended changing the estimated effective date for the DTR-Part IV to October 2002.

STATUS: OPEN

ESTIMATED CLOSURE: September 2003 is the projected date of posting.

ITEM: 177

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: United States Transportation Command

SUBJECT: Review of Transit Guide (Transit Times)

INITIATED: February 13, 2001

DISCUSSION: The DTS has many errors in labeling and actual omission in the transit times guide. This has been pointed out to MTMC a number of times with no action/correction to date.

Example: Page BK19 shows GE and is in fact GE, however BK23 is labeled GE and so is BK27. Pages BK33 through 40 are all marked NE. This should be corrected.

In addition, the transit time guides themselves have to be reviewed and adjusted for the continuing deteriorating (and vanishing) American Flag ocean carrier service available.

RECOMMENDATION: That the DTS be reviewed/corrected and that Transit Time guides be adjusted with operative input from industry, including the American Flag steamship operators.

RESPONSE: *USTRANSCOM stated in response to the first part of Item 177, the problem with Appendix BK, as well as a similar problem with Appendix BL, have been identified to us and corrected versions will appear in Change 1 to the Defense Transportation Regulation (DTR) Part IV, Personal Property.*

MTMC agrees the transit times need to be reviewed and changed as necessary, and will develop a plan to make corrections. MTMC desires to have all transit times not to exceed 60 days. MTMC will follow on with Industry to resolve transit discrepancies. This review should be completed by 9 November 2001.

SUMMARY:

February 19, 2002: MTMC met with AMSA on 28 November 2001 to discuss this item MTMC and completed its review. Need feedback from HHGFAA on transit times with less than 10 days and greater than 70 days. MTMC had completed a new transit table for International ITGBL and presently working the Domestic. The DTR will be tentatively released to the Federal Register in February 2002. Transit times changes will be incorporated with the DTR.

February 27, 2002: CD copies of the DTR-Part IV final draft were given to AMSA on February 25, 2002 and to HHGFAA on February 27, 2002. Industry will have 60 days to

comment back to USTRANSCOM with USTRANSCOM responding back on the comments in 30 days. The symposium members recommended changing the estimated effective date for the DTR-Part IV to October 2002.

HHGFAA will provide MTMC with a list of recommended exceptions to the transit times.

STATUS/ESTIMATED CLOSURE: Closed 19 Feb 03. A list of time line changes will be posted in the DTR, projected to be posted September 2003.

ITEM: 179

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: All Codes - Overtime Loading and Delivery Charges

INITIATED: February 13, 2001

DISCUSSION: The current “rates per cwt” for Overtime loading and unloading service for both Domestic and International do not come close to covering or providing proper compensation to the Agent for manpower costs associated with the service.

RECOMMENDATION: The per cwt rates should be reviewed and drastically increased to cover the cost of the service OR be changed to be payable “by the hour” at the published overtime hourly rates.

RESPONSE: MTMC will make a decision pending data received from Industry. MTMC wants to look at data for both cwt and hourly rates.

SUMMARY: HHGFAA requested that MTMC provide them a list of what data MTMC requires on overtime rates and freight time rates.

STATUS: MTMC has completed the analysis and changes for labor will be effective 1 Apr 2003 for the international Program, and 1 May 2003 for the Domestic Program.

ESTIMATED CLOSURE: Closed 19 February 2003.

ITEM: 180

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team and
Personal Property Systems Team

SUBJECT: Special Solicitations - Bidding/Award Process

INITIATED: February 13, 2001

DISCUSSION: Industry believes that additional emphasis needs to be focused on reforming the bidding process for the Special Solicitations.

In reviewing the rates submitted and the awards, one can easily conclude that the winning Carrier has purposely filed administrative low rates to most areas, then inflated the rate for the volume locations.

RECOMMENDATION: MTMC should either change the way in which they bid/award the Special Solicitations, or start scrutinizing the bids to identify and eliminate the "manipulators."

RESPONSE: *MTMC does scrutinize the bids IAW the International solicitation. Chapter 10 Item 1000 b states that rates will be reviewed for consistency with other rates submitted for the same rate area as well as adjacent areas. Suspect areas will be reviewed by HQMTMC on a case-by-case basis. Carriers may be required to provide the rate construction breakdown of the suspect rate in accordance with item 326.*

Review consistency. Since our recent Transit item evaluation we have discovered many channels that had 10 or less shipments. We are reviewing the Special solicitation channels and will be removing channels that now warrant a rate area. Special solicitation was never designed to be permanent. It was to be used for one or two rate cycles to allow time for an analysis to determine if an area constitutes a rate area. MTMC is automating the special solicitation process and it will be available for winter cycle 02.

SUMMARY: *HHGFAA requests MTMC provide documentation on what methodology was used on developing the bidding process, identify what of the 90% was completed, and what is included in the testing.*

ESTIMATED CLOSURE: *Closed 19 February 2003. The new automated special solicitation process through MTMC's website went into effect for the IS03 rate cycle. Testing was accomplished with industry participation.*

ITEM: 189

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Transit Times - Code 4 Shipments - Korea to Hawaii

INITIATED: February 13, 2001

DISCUSSION: In the past, carriers had the option of sending Code 4 shipments from Korea to Hawaii via the West Coast. They would be loaded into a west coast bound container with CONUS freight, reworked at the west coast port and loaded into a different container destined to Hawaii.

With the advent of Code 3 this is no longer operationally possible. Containers must now go directly from Korea to Hawaii. There is not always sufficient enough freight to do this on a regular basis and, reportedly, the steamship lines will not accept LCL cargo.

Therefore, the carriers have no choice but to hold the Korea to Hawaii cargo until there's enough for a full container. As a result, shipments are prone to miss their RDDs.

Penalizing carriers for this under TQAP will not make a difference in the service provided. The missed RDDs are being caused by the switch to Code 3, not improper traffic management on our part.

RECOMMENDATION: Review/change the transit times to take into consideration that Code 4 shipments can no longer be co-loaded to the West Coast as in the past.

RESPONSE: *Carriers should have submitted a proposal on Code 3 and Code 4 transit time changes to USTRANSCOM for Chg 1 of the DTR. Carriers also have the options such as the use of a 20-foot container instead of a 40-foot with the steamship lines or shipping a container that is partially filled. The DTR Draft was posted on the Federal Register for Industry review at that point any changes should have been suggested. USTRANSCOM is reviewing Industry input for inclusion into the DTR. Proposed updates will be coordinated with MTMC and Military Services (as applicable) within the next 30 Days. Once coordination is completed and determination is made regarding the inputs, USTRANSCOM will announce their finding via Federal Register.*

ESTIMATED CLOSURE: *OPEN. Project date of posting DTR changes is September 2003.*

ITEM: 193

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Service
And Storage and POV Team

SUBJECT: Getting Paid for NTS

INITIATED: February 13, 2001

DISCUSSION: NTS contractors have to send out 3 and 4 invoices in an effort to be paid for their service. The average time to receive payment seems to be about 150 days. Some times it is over 1 year before payment is issued. The contractors are not getting paid interest either. They are following the instructions issued by RSMO but still get no response.

RECOMMENDATION: DOD should clarify what steps NTS contractors need to take in order to be paid promptly. Who can they contact in order to expedite the process?

RESPONSE: DFAS-Norfolk stated there are several reasons that a payment of an invoice may be delayed. The following are some of those reasons:

1. Quarterly storage bills--if one line doesn't clear, the whole invoice stays in preval until that one line clears. Some of the problems we have related to this item are:

- a. Lapsed lines of accounting (This doesn't happen too often)***
- b. No obligation***
- c. Insufficient obligation***
- d. No document number***
- e. Incomplete line of accounting***
- f. Most of the invoices go to preval because we pay Army, Air Force, Marine Corps, and Navy lines of accounting on these bills***

2. Invoices are not certified in accordance with the PPCD Form. The invoice received and material received and accepted dates are either not there or we can't tell which date applies to which field. (We would call for information if we had a POC and phone number).

3. If Coast Guard accounting is referenced, we have to either return the invoice or make a partial payment and still return the invoice for just the Coast Guard line. These lines should never be sent to us for payment.

The certifying officer of your invoice should be contacted to expedite the certification process. If the bill has been forwarded to the finance office, the bill will be paid as expeditiously as possible but may run into the problems stated above.

The Army will review any problems internally on a case-by-case basis.

SUMMARY/STATUS: *Open. MTMC and the Military Services are participating in a DFAS sponsored solution for NTS payment issues. In the interim, MTMC will review specific problem on a case-by-case basis.*

ESTIMATED CLOSURE: *Closed. Mr. Russ Plasiance of DFAS discussed this item at the M/I on 18 September 2002. There is no immediate date for a remedy. Hopefully, Power Track will offer a remedy.*

RESPONSE: *Contractor pay for NTS services using PowerTrack is part of the on going test at JPPSO-COS. The test was begun in Oct 02, with no scheduled completion/evaluation date. The majority of the problems with the present billing system have been identified as relating to the failure of the billing office to update lines of accounting LOA on a yearly basis for (1) DoD civilians employees transferred to OCONUS areas, (2) Local installation movements, and (3) incomplete lines of accounting (LOA) transferred in TOPS being. MTMC will continue to monitor the effects of the new payment system.*

ITEM: 202

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: United States Transportation Command

SUBJECT: Defense Transportation Regulations - Part IV

INITIATED: September 11, 2001

DISCUSSION: Industry was advised several months ago that Change 1 would be issued to Part IV of the DTR in the Spring of 2001. No information or Federal Register Notice has appeared to date.

RECOMMENDATION: Please advise the status of Change 1 to the DTR-Part IV and, if known, the targeted date of release for public comment, as well as any planned effective date of the changes.

RESPONSE: Combine this item with the following items:

Item 122, 619 Forms and the DTR

Item 123, New 619

Item 149, Defense Transportation Regulation (DTR) – Part IV

Item 150, Updates to DTR – Part IV

SUMMARY: CD copies of the DTR-Part IV final draft were given to AMSA on February 25, 2002 and to HHGFAA on February 27, 2002. Industry will have 60 days to comment back to USTRANSCOM with USTRANSCOM responding back on the comments in 30 days. The symposium members recommended changing the estimated effective date for the DTR-Part IV to October 2002.

STATUS: OPEN

ESTIMATED CLOSURE: OPEN Projected date of posting DTR changes is September 2003.

ITEM: 203

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Carrier Qualification and Performance Team and
Military Services

SUBJECT: Electronic Transmission of Documents

INITIATED: September 11, 2001

DISCUSSION: At the continued urging of the Federal Government and MTMC, the Industry has invested in and expanded the use of automated systems that now have the ability to transmit documentation electronically.
However, many installations will only accept documentation by facsimile and refuse to accept documentation that is transmitted electronically by email.

Ironically, MTMC now transmits its messages and documentation to Industry by either postings to the MTMC Web Site or email messages with attached files or downloads.

RECOMMENDATION: MTMC and the various shipping activities and installations should be instructed by DoD to accept “electronically transmitted” documentation.
This practice would actually create a better ‘date certain’ record of transmission and/or receipt from which all parties could benefit.

RESPONSE: *USTRANSCOM agrees that there are benefits in the use of electronically transmitted documentation. However, the final resolution of this issue must be made by the Military Services. USTRANSCOM proposes that MTMC address this issues with the Services in an attempt to negotiate an agreement and to draft a set of formal procedures. If an agreement can be reached, USTRANSCOM will coordinate the draft procedures for inclusion into the next change of DTR Part IV.*

USTRANSCOM and MTMC will work with the Military Services and Industry to determine what electronic documentation is being refused by the Transportation Offices.

MTMC recommends the following:

The Transportation Office and Claims Office reserve the right to request originals. All forms must be scanned and submitted in a .PDF format, faxed, or mailed.

1. DD Form 1780, Shipment Evaluation and Inspection Record.

2. *DD Form 2497, Carrier Evaluation Work Sheet Report.*
3. *DD Form 1840, Joint Statement of Loss or Damage at Delivery.*
4. *DD Form 1840R, Notice of Loss or Damage.*
5. *DD Form 1814, Carrier Warning/ Suspension/ Reinstatement/ Cancellation of Warning.*
6. *PPGBL/BL*
7. *Carrier Appeals will be accepted submitted electronically, but the carrier will be ultimately responsible for ensuring the appeals are submitted the correct POC.*

Industry must hold on to the original documentation or have a certified true copy available for 3 years.

MTMC needs to know from Industry what other documents need to be submitted.

The Military Services need to agree on a uniform format for reports and notify Industry of its decision. Industry will head the search for the required reports and formats.

SUMMARY: This item was discussed at the symposium on February 27, 2002.

STATUS: This item is still in discussion between the Military Service and MTMC. Will present to the Military Services the proposal of having a general information email at the Transportation Offices.

ESTIMATED CLOSURE: Closed. Military Services has the option for allowing Installations to received electronic transmitted documents. When an agreement is made between Military Services and MTMC, a formal procedure will be formatted through TRANSCOM to be included in change 2 of the DTR.

ITEM: 205

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Baggage Pick up or Delivery from SIT

INITIATED: September 11, 2002

DISCUSSION: The current rate of \$10.78 per gcwt in the International Solicitation does not adequately reflect actual costs of pick up or delivery from SIT.
A rate increase will encourage a larger number of eligible carriers to participate in baggage traffic.

The minimum baggage pick up or delivery from SIT rate in the International Solicitation should be brought in line with the Domestic rate level of \$68.70.
A CONUS baggage pick-up or delivery procedure is the same whether the shipment originated overseas or in CONUS.

RECOMMENDATION: A rate of \$29.26, which is the median geographic zone rate (Schedule J for 500 - 641 lbs.) would properly compensate for pick up or delivery to/from SIT for baggage shipments.

Increase minimum baggage pick up or delivery rate in the International Solicitation to \$68.70.

RESPONSE: *MTMC requests specific data from Industry to determine what the proper rate should be.*

SUMMARY: *MTMC requested information from Industry on how their data was arrived.*

STATUS: *Received input from Industry on 11 September 2002. Upon completion of analysis, MTMC will contact Industry with results.*

ESTIMATED CLOSURE: *Closed 19 February 2003, Analysis has been completed, and rates will be effective 1 April 2003.*

ITEM: 211

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Carrier Qualification and Performance Team and
Personal Property Systems Team

SUBJECT: TDR - Class 2 Rates - Low Volume Areas

INITIATED: September 11, 2001

DISCUSSION: For Each rate channel there is a separate TDR where the carriers are ranked by their TQAP score. The carrier with the highest score is tendered the first shipment, the second shipment is tendered to the carrier with the second highest score; and the process continues in this manner. However, the TO also establishes an arbitrary “tonnage threshold” before moving from the highest carrier to the next. In example, the tonnage threshold could be 10,000 pounds, which means the highest or higher rated carriers receive a greater number of shipments to satisfy the threshold.

When the six month rate cycle ends and a new rate cycle begins, the TO starts the new cycle with a new TDR. In a “Low Volume Area” it is almost impossible for carriers with an acceptable score of 90 or better to ever receive the award of a shipment.

The arbitrary tonnage threshold and the TQAP program are inadvertently punishing carriers who provide satisfactory service.

RECOMMENDATION: A system should be in place for Low Volume Areas that equally distributes the traffic among the carriers maintaining satisfactory scores so that they don’t lose their place in line. The rate cycle ends before the volume of traffic can make it down the list or the arbitrary tonnage threshold was set to high.

RESPONSE: *MTMC requested to know where this action is happening. Industry responded this action is happening in Iceland and the Azores. MTMC (TOPS) will look at how the Transportation Offices in these two locations conduct business.*

February 13, 2002: Based on information obtained through TOPS, shipments were booked in accordance with DTR. We will review at the end of FY02 to ensure shipments are properly awarded.

Typical results from IS01:

Iceland to US11

Primary Carrier 17,351 lbs.

M/T Carriers: 9,740
 4,567
 10,651
 8,683

SUMMARY: *MTMC informed Industry that it would accept Industry's recommendation as a tasking. TOPS will run another report at the end of FY02.*

STATUS/ESTIMATED CLOSURE: *Closed 19 February 2003. SAV team will review the tonnage distribution. Review the DTR for changes.*

ITEM: 216

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services and Personal Property System Team

SUBJECT: In Transit Phone Numbers

INITIATED: September 11, 2001

DISCUSSION: In order to assist with reducing the need for SIT by facilitating direct deliveries, it would be helpful for PPSOs and PPPOs to include in-transit telephone numbers on the GBL when available. Many service members have cell phones or know a place where they can be reached during the time of transit. This step goes hand-in-hand with the use of toll-free numbers by the carriers. It is helpful for the customer to be able to reach the carrier as easily as possible, but it is also important for the carrier to reach the customer, especially when it is approaching time to effect delivery.

RECOMMENDATION: MTMC should encourage PPSOs and PPPOs to include in-transit telephone numbers on the GBL.

RESPONSE: *This issue will be taken under review. The Military Services and MTMC need to discuss before providing a response to this item. This item was discussed at the last Personal Property Coordinating Council (PPCC) in January 2002.*

MTMC will draft a message to the Military Services for their concurrence to put additional data information in Block 25.

SUMMARY: *MTMC informed Industry on the PPCC proposal that MTMC Information Management insert a mandatory field into the TOPS bill of lading for the Service Members' intransit phone number and e-mail address.*

STATUS: *26 July 2002 - In Transit Phone Numbers - The STATUS was erroneously reported on 3 Jun 02. The Military Services did not concur at the JDT. The Military Services agreed to have the email addresses to print out on the DD1299 for origin, intransit, and destination addresses. A TOP currently has it in the queue for processing (SCR 332). Scheduled to be implemented in ICP 9.7, 2nd Qtr FY03.*

ESTIMATED CLOSURE: *Military Services and Personal Property System Team made it optional to enter an email address and/or cell phone number in the TOPS System. The projected date of the implementation is April 2003.*

ITEM: 223

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Military Services

SUBJECT: Personal Watercraft

INITIATED: September 11, 2001

DISCUSSION: Many newer models of personal watercraft exceed 14 ft. in length when measured on their trailers.

Inclusion of Personal Watercraft as an entitled item in a household goods shipment has placed an unfair economic burden on the International Carrier.

In most every case the carrier loses money when required to crate and ship personal watercraft with trailers. Costs far exceed compensation.

RECOMMENDATION: Personal watercraft exceeding 14 feet in overall length, including trailer, should transit under the OTO program.

RESPONSE: *On January 28, 2002, the Military Services and MTMC met and agreed the Military Services will decide by 31 March 2002 whether to ship Ultralite Aircraft and personal watercraft exceeding 14 feet overall length under the One-Time-Only program.*

30 July 2002: *The Military Services will discuss this issue with the Per Diem Committee on the definition of a personal watercraft.*

STATUS/SUMMARY: *Jet Skis will not be defined as a personal watercraft. Ultralite aircrafts will be moved as a HHG item and handled on a case- by- case basis. The military services and MTMC are continuing discussion on whether procedures for shipping jet skis/jet skis trailers that will not fit into an overseas container should be revised.*

ESTIMATED CLOSURE: *Closed 19 February 2003.*

ITEM: 226

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Item 508 - Crating Rates, International Solicitation

INITIATED: February 27, 2002

DISCUSSION: Industry wishes to re-instate this Item as being “Open,” based on the fact that resolution was not achieved in anticipated action described by MTMC in Item #129 found in the M/I “Summary Agenda” for the meeting of August 15, 2000.

That item’s ‘Response’ indicated that the “...industry will obtain an increase effective April 1, 2001.” At the time of the M/I meeting, MTMC would not divulge the amount of the increase.

In actuality there was an increase granted in international crating rates, however, it is the opinion of the Industry that the rates are still not compensatory with the labor and material costs to the carriers/agents.

Furthermore, even with the increase in international crating rates there still exists a disparity between international crating rates and those found in the domestic solicitation, for an identical service and cost basis.

RECOMMENDATION: Industry requests that the rates for crating in the international Solicitation be brought in line with the Domestic Solicitation.

RESPONSE: MTMC will review the current crate charges for the International Rate Solicitation and make a determination on this issue by June 1, 2002.

SUMMARY: Industry informed MTMC that there may be additional charges due to certification of wood materials required for shipping crates and specialized crating.

STATUS/ ESTIMATE CLOSURE: Closed 19 February 2003. Rates have been increased, effective 1 Apr 2003.

ITEM: 229

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: SIT & Warehouse Handling Rates – Okinawa

INITIATED: February 27, 2002

DISCUSSION: The military agents operating in Okinawa respectfully request special consideration is extended to their area for a review and increase in rates for storage-in-transit and warehouse handling.

Further, there appears to be a need to review and/or clarify why the rates in JA96 are separated for HHG and not for Baggage, which appears to be the case in other rate areas.

RECOMMENDATION: MTMC review and consider amendments to the rate solicitation, which would provide reasonable compensation for SIT and Warehouse Handling in Okinawa.

RESPONSE: *The Pacific is due for review. Letters will be sent out to all ITGBL carriers requesting their submission of their accessorial charges. The HHGFAA Accessorial Committee assistance is requested to ensure their members submit in a timely manner. Please note all rates submitted must be notarized or they will not be accepted. No extensions or exceptions will be granted. These charges are reviewed every 2 years. The results will be forwarded to the Military Services for their concurrence or noncurrence. If concurred, the changed rate will be effective by IS03.*

SUMMARY: *MTMC requested that Industry submit their rates by certified mail.*

STATUS/ESTIMATE CLOSURE: *Closed 19 February 2003. Rate increases are effective 1 April 03*

ITEM: 230

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Inadequate Payment for Origin Services - Terminated Shipments

INITIATED: February 27, 2002

DISCUSSION: Item 522 (Terminated Shipments) allows only \$19.20 per ncwt. for origin services on shipments that pick-up in CONUS and are “terminated” at origin. For overseas origins \$29.81 per ncwt. is allowed. Very few origin agents work at these low unrealistic rates.

In CONUS, origin rates can be \$10 to \$15 higher, not including the carriers’ administrative costs for handling the shipment prior to termination. Overseas (actual) origin rates (e.g. Korea) can be twice as high as what is allowed in the solicitation. The carrier will, therefore, suffer a loss on almost every shipment terminated at origin.

RECOMMENDATION: The amounts paid to carriers for shipments terminated at origin should be reviewed and updated to reflect actual real-world costs.

RESPONSE: *MTMC needs data from HHGFAA.*

SUMMARY: *This item was discussed and Industry requested that baggage be included in the review and updates.*

STATUS: *Received input from Industry on 11 September 2002. Upon completion of analysis, MTMC will contact Industry with results.*

ESTIMATED CLOSURE: *Closed 19 February 2003. Analysis has been completed and rate increase effective 1 October 2003.*

ITEM: 231

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Personal Property Systems and Carrier Qualification

SUBJECT: Contact Information for Base Transportation or PPSOs

INITIATED: February 27, 2002

DISCUSSION: Contact information for base transportation or personal property offices is often inaccurate, incomplete or out of date. It is often difficult for a carrier to determine the exact address to use when submitting an LOI or DD1840, appealing a TQAP score, providing notification of a possible late shipment or corresponding with a base for any number of reasons.

It is not unusual for a comparison of a transportation office's address as shown on their letterhead, the return address portion of the envelope and it's listing in the rate solicitation, to yield three different addresses. The most recent listing of the Rate Solicitation I-13 includes transportation offices that are now closed and does not include new transportation offices such as Travis AFB and Seal Beach, both in California.

Not knowing how to contact or communicate with a transportation office hinders the carrier's ability to comply with the MTMC regulations and may also hinder the level of service provided the member; not to mention the negative impact on a carrier's score and ability to be awarded new traffic volumes.

RECOMMENDATION: MTMC (and the Military Services) should develop a method that makes available to the carriers a complete and current listing of transportation offices. This could possibly be accomplished through a web site.

In addition to phone, fax and mailing addresses (incl: APO/FPO), the listings should also include email addresses since email is now a common means of communications. To keep them current, those email addresses should be for offices or departments, not for individuals who may leave or rotate out.

If this information already exists in the suggested format, Industry requests to be given access and/or provided knowledge as to how it may be located.

RESPONSE: Recommend the carrier industry refer to the PPCIG on MTMC's website for the most current information for all transportation offices. The international rate solicitation effective IW02 will no longer contain PPSO listings, it will simply refer you to the PPCIG on MTMC's website.

SUMMARY: Industry requested that the PPSOs use a common POC e-mail/mail address and multiple facsimile phone numbers instead of an actual person POC for each PPSO. MTMC stated it would draft a message to the PPSOs to update the PPCIG entries on e-mail and mailing addresses.

STATUS/ ESTIMATE CLOSURE: Closed 18 September 2002. MTMC will continue to use its website to provide up-to-date PPCIG guidance and other personal property related information.

ITEM: 232

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Waiting Time for Security Delays

INITIATED: February 27, 2002

DISCUSSION: The original purpose of waiting time was to provide the Transportation Office with adequate time to get the service member to the house to receive the shipment, so it did not have to go into storage. Waiting time is now being applied in a different context when the moving crew is prevented from reaching the base by long lines at security checkpoints. If a job was going to take eight hours to complete, crews are now being forced to work overtime because of having to wait in line before actually starting to work.

RECOMMENDATION: Waiting time should be paid from the beginning of the time the mover is forced to wait as a result of a government security checkpoint, without having to wait the one or two hours that would otherwise apply once the mover arrives at residence and the service member cannot be located.

RESPONSE: *Waiting time provided in the solicitation does not restrict where waiting occurs. The International and Domestic solicitations indicate how many free hours of waiting time is allowed and should be reflected in the carrier rates.*

STATUS/ESTIMATED CLOSURE: *Closed 18 September 2002. A joint message from MTMC and Military Services dated November 2001 provided guidance. Waiting time must be authorized by the Transportation Offices from start to finish*

ITEM: 233

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Storage and POV Team

SUBJECT: Fuel Price Adjustment for DPM/NTS

INITIATED: February 27, 2002

DISCUSSION: Some NTS and DPM contractors are having difficulty in receiving compensation for the added costs of fuel they experienced last year. We realize that contracts are for specified duration and that prices are locked in. However, certain unusual circumstances that are above and beyond the control of the contractor and for which the contractor could not have envisioned such costs should be treated in the same way as all other transportation providers to the Federal Government have been allowed to increase their price by the fuel surcharge approved by the DOD Fuel Surcharge Board. In many cases these contracts lock in a price for five years and in the case of NTS contractors, they permit a price increase only twice a year. The Government does not want contractors to operate at a deficit and they should not be discriminated against.

RECOMMENDATION: DOD should explain how NTS and DPM contractors should go about obtaining a reasonable fuel cost adjustment in their contracts.

RESPONSE: *This issue needs to be addressed to the local contracting officer. DPM contracts are negotiated at each base thru the local base contracting office. The existing Fuel-Related Rate adjustment formula presently utilized for Transportation and Travel for lines haul shipments could be incorporated into the ITOs local DPM contract.*

SUMMARY: *This item refers to the situation carriers face when working in the NY/NJ Metro area around Fort Hamilton. Industry wants to negotiate a new fuel cost adjustment with the Government. The Army stated it would check with Fort Hamilton contract office on fuel costs. The Military Services will take this issue on to see if an economic adjustment is warranted.*

ESTIMATED CLOSURE: *Closed 19 February 2003. DPM contractors need to bring to the attention of the contracting officer at the respective installation where they do business. This matter is covered by FAR Clause 52.216.4 (ECONOMIC PRICE ADJUSTMENT-LABOR AND MATERIAL JAN 1997) and DFAR Clause 252.247.7001.*

ITEM: 234

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Storage and POV Team

SUBJECT: Non-Temporary Storage - Rate Adjustments

INITIATED: February 27, 2002

DISCUSSION: The Basic Agreement between the Government and the Non-Temporary Storage Contractor allows for rate changes downward every month or 12 times a year, should the contractor choose to 'reduce' his rate. However, conversely, the rate schedule only allows for 'increases' in rates two times a year, which would appear to be unfair or unbalanced to all parties.

This means that the Contractor has limited ability to provide for economic adjustments on such things as fuel price escalations, increases in insurance premiums, or unforeseen operational difficulties, such as the recent terrorist activities in New York.

We take this opportunity to point out that the recently adopted Fuel Adjustment Policy did not encompass services provided by NTS or DPM contractors.

It is also interesting to note that some non-temporary agreements do not allow for a contractor to submit a new rate schedule, that might offer an overall saving to the government, should that proposed rate schedule have one line item that is being increased.

RECOMMENDATION: MTMC and/or parties responsible for the Military contracting activities should review the agreements governing Non-Temporary Storage with the aim of amending those agreements to allow for a contractor to receive equitable treatment and fair compensation.

RESPONSE: *The Military Services feel the Rate Agreement should remain in effect with the current rate cycle.*

SUMMARY: *This item refers to the situation carriers face when working in the NY/NJ Metro area around Fort Hamilton. Industry wants to negotiate a new fuel cost adjustment with the Government. The Army stated it would check with Fort Hamilton contract office on fuel costs. The Military Services will take this issue on to see if an economic adjustment is warranted.*

STATUS: The Military Services have once again reviewed this issue and determined that there is no basis to change the present process. The drayage of households to the contractors warehouse is not a significant part of the service being performed and any increase in the fuel costs can be made under the present process without significantly affecting the economic stability of the contractor.

ESTIMATED CLOSURE: Closed 19 February 2003.

ITEM: 235

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: General Service Administration and
Defense Finance and Accounting Service
And Personal Property Systems

SUBJECT: GSA Requests for Documentation

INITIATED: February 27, 2002

DISCUSSION: Many carriers are now receiving large requests for back up documents on invoices that were sent in several years ago and are now being audited by GSA Audits. At the time, carriers were told by DFAS that they did not need to send in the paperwork. Having to go back through files several years later to reconstruct the information poses a tremendous burden on the industry. GSA has recognized this by its agreement to refrain from making this type of request during our peak season. They have also indicated that they are requesting backup documentation on less than half of the shipments they are auditing, and we appreciate their efforts to focus on just the shipments where there is an apparent problem.

RECOMMENDATION: DFAS and GSA need to get together and work out a procedure for performing audits and retaining the necessary documents so that industry does not have to search through old records to find paperwork that DFAS doesn't want or can't handle.

We support DFAS' automation efforts, but they need to ensure that automation doesn't come back two years later with massive document requests.

RESPONSE: *GSA and DFAS are currently working this issue. Our future program will be a system that includes a pre-audit capability.*

SUMMARY: *GSA said that documentation being submitted has incomplete data on the EDI billings. Industry stated that GSA and DFAS should get the TOPS data from the PPSOs since they were the ones who submitted the billing.*

ESTIMATED CLOSURE: *Closed 18 September 2003. GSA requests for missing information are at this point exclusively on EDI transactions as DFAS will not pay incomplete paper billings. GSA has been unsuccessful in getting PPSO to enter all the necessary information on EDI transactions. GSA will continue to ask for audit information as needed. No further comments will be made until the Federal Courts complete a ruling.*

ITEM: 236

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services

SUBJECT: Flexibility on Dates of Service

INITIATED: February 27, 2002

DISCUSSION: MTMC should remind PPSOs again that they have the flexibility to adjust pickup dates and RDDs at the request of the carrier at any time after a shipment has been awarded to a carrier. It is in their best interests to be cooperative and work with the carriers when there is no inconvenience to the member to make the change. This would help to reduce the cost of SIT, allow for more efficient use of capacity, and avoid double handling of shipments. Many PPSOs continue to refuse to change RDDs either after the shipment is accepted, or after it is loaded, saying that the carrier is now bound by that contract and they can't change it. This is a widespread problem, not limited to any specific PPSO's. This even came up at the JPPSO COS meeting where there was a difference of opinion among PPSO personnel at the meeting with some thinking they absolutely could not change the RDD once the shipment had been tendered.

RECOMMENDATION: MTMC should remind PPSOs again that they have the flexibility to adjust pickup dates and RDDs at any time after a shipment has been awarded to a carrier.

RESPONSE: *The carrier, service member, and PPSOs must all agree on the adjustments to the Dates of Service. The Military Services always put out reminders in the summer message to the PPSOs to be flexible.*

ESTIMATED CLOSURE: *Closed 18 September 2002. Sue Ducombs briefed on this Item at the Symposium. The TO's have been reminded to be flexible.*

ITEM: 244

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: United States Transportation Command

SUBJECT: DTR Change 1

INITIATED: September 18, 2002

DISCUSSION: DOD has sought industry comments on Change 1 to the DTR. Comments have been submitted, including some pointing out the need for advance lead-time before the effective date of the changes.

RECOMMENDATION: DOD should indicate what the timetable is for release of Change 1 and for its effective date.

SUMMARY: *DTR Draft was posted on the Federal Register for Industry review. USTRANSCOM is reviewing Industry input for inclusion into the DTR. Proposed update to be coordinated with MTMC and the Military Services (as applicable) within the next 30 days. Once coordination is complete and final determination is made regarding inputs, a Federal Register notice will be made announcing findings.*

ESTIMATED CLOSURE: *Closed. Projected date of posting DTR Changes is September 2003.*

ITEM: 245

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Long Carries - Excessive Distance

INITIATED: September 18, 2002

DISCUSSION: In the International Solicitation, page 4-23 (b), it states;
“Shipments picked up or delivered to a residence, with construction or other safety factors that prevent the carrier (through no fault of their own) normal carry access within 75 feet, the PPSO can authorize an excessive distance carry charge. Approval must be granted prior to the service being performed.”
Item 432, Application of the Single Factor Rate (SFR), says that the SFR will include excessive distance.
When reviewing the wording above (reference to NORMAL), is this to indicate that anything over 75 feet is not considered to be normal; and should not the Carrier be compensated for providing a non-normal service.

RECOMMENDATION: Allow ITGBL Carriers to bill approved ‘excessive distance’ charges over 75 feet at the current rate as shown in the Domestic Solicitation.

SUMMARY: *After reviewing the International Solicitation within 75 feet is normal. The reason for including the statement “Shipments picked up or delivered to a residence, with construction or other safety factors that prevent the carrier normal carry access within 75 feet the PPSO can authorize an excessive distance carry charge” in the event construction is progress and you have to walk around the area more than you would normally the PPSO has the authority to authorize excess distance.*

STATUS/ESTIMATE CLOSURE: *Closed 18 September 2002.*

ITEM: 246

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Domestic & International Rates Team

SUBJECT: Acceptance of LOIs

INITIATED: September 18, 2002

DISCUSSION: On the top of the LOI, in block "D", section marked "For PPSO Use only" there is a section that the PPSO uses to mark when the LOI becomes effective. For ITGBL, they use the next rate cycle (either IS or IW followed by the year). However, many PPSO's are also marking domestic LOI's the same way. For example, if I file an LOI on 6/1/02, many PPSO's will mark it as effective for DW02, which does not start till 11/1/02. This is despite the fact that there is L/C filing periods that allow a carrier/forwarder to come on in the domestic program mid-cycle. We have found that some PPSO's aren't adding the carrier/agent to the TDR immediately, but are waiting till the next full cycle. This has been discovered when calling PPSO's to see why we are not receiving any business.

RECOMMENDATION: MTMC should send out a clarification/guidance message that the PPSO should put the current date down for any domestic LOI, but use the next rate cycle for ITGBL LOI's only. MTMC should remind the PPSO that carriers should be placed on the domestic TDR upon the effective date of the L/C rates (after acceptance of the LOI), and not waiting for the next beginning of a rate cycle. This message would also help remind the PPSO to load the rates from the L/C filing, as a few bases forget this step each cycle.

SUMMARY: *A LOI message will advise PPSO's of proper procedures for LOI acceptance. Message should be out within the next 30 days.*

ESTIMATE CLOSURE: *Closed 19 February 2003. LOI messages were sent to the PPSO's for both Domestic and International. Message dated 23 Jan 03 is posted on MTMC website.*

ITEM: 247

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Carrier Qualification & Performance Team

SUBJECT: TQAP per DTR appx. BM para C.7.c

INITIATED: September 18, 2002

DISCUSSION: The carriers are frequently not being notified of their semi-annual performance score by the ITO as required, "...No later than 30 calendar days prior to the effective date of the following 6 month rate cycle."

While this para sets a requirement on the ITO, it fails to identify a consequence if the standard is not met. The requirement recognizes that a carrier must prepare for the new cycle and knowing the performance score is essential to that process. If the carrier score may result in traffic denial in the upcoming cycle, it is paramount for the carrier to be given at least 30 days to research and/or appeal before being denied traffic in the new cycle.

RECOMMENDATION: If the carrier receives their semi-annual performance score and status less than 30 days before the beginning of the new cycle, the carrier should be provided the option of accepting the late score or be granted the carry over score from the previous cycle. The carrier should be given 30 days from the time of receipt to request the carry over score.

RESPONSE AND/OR SUMMARY: *Carriers that have not received their semi-annual evaluation 35 days prior to the effective date of the following rate cycle shall send a report to HQ MTMC, MTPP-HQ. The report will include the carrier's company name, SCAC, and a list of installations (by service) that have not provided the carriers semi-annual evaluation. MTPP-HQ personnel will notify the respective Military service headquarters to resolve the issue.*

Carriers will be placed on the TDR based on the actual score they earn. Carriers still maintain the right to appeal scores within 45 days as provided in the DTR. If a carrier appeals their score, and the appeal is upheld, the carrier will be placed on the TDR as outlined in the DTR, Appendix BM, paragraph C.8.b(3). Paragraph C.8.b(3) states "If a carrier's appeal to a Carrier Evaluation Worksheet/Report is upheld, the carrier's average shipment score and period of traffic denial (if any) will be adjusted. Further, in cases where the appeal is upheld and the resulting change in the average shipment score moves the carrier from an unsatisfactory to a satisfactory position, the carrier will be reinstated to the TDR and awarded

sufficient tonnage to reestablish the carrier's relative position among other carriers on the TDR."

STATUS/ESTIMATED CLOSURE: Closed 18 September 2002.

ITEM: 248

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualifications & Performance Team

SUBJECT: 1840 Appeals

INITIATED: September 18, 2002

DISCUSSION: The TQAP process involves carriers providing an 1840 form for scoring purposes. The way TQAP is structured, carriers are penalized if no form is available for scoring, by deducting 40 points from the carrier's TQAP score. Carriers are supposed to have an appeal process, since this score is critical to their ability to obtain business. This form turns out to be difficult to keep track of by the local bases, so they often do not get matched up with the proper file for scoring purposes initially, leading to an appeal by the carrier.

MTMC has recently taken the position that carriers cannot simply provide a copy of the 1840 as their appeal, which has been the standard practice for years. Now MTMC is requiring carriers to prove that they had previously sent the 1840 in a timely manner. Many such appeals are being denied.

RECOMMENDATION: Since the goal here is to measure quality, MTMC should focus more on the content of the 1840 and less on the question of when and how the carrier submitted the form. TQAP should not be about who can process the paperwork correctly and who uses the proper method of "proving" that they sent the form in at a given time. What matters is what is on the form, so MTMC should go back to the process of accepting the 1840 upon appeal, in order to obtain the data needed to develop a quality score.

Unless MTMC is willing to change this appeals standard back to the previous process, we need to explore the question of how a carrier can prove that it submitted the 1840 in a timely manner. Does the carrier need to send all of the 1840s via certified mail? If so, how do you prove which 1840s were sent in which envelope? If the carrier includes a cover letter listing each of the 1840s that are included in the envelope, will the PPSO be willing to confirm that and sign and return the cover letter? We suggest that MTMC encourage and accept the use of faxes and electronic mail, as better alternatives to the expense of certified mail.

RESPONSE AND/OR SUMMARY: Carriers are not being denied the right to appeal TQAP shipment scores in cases where a DD 1840/1840-R was missing. In cases where carriers appealed to the TO, and the TO denied the appeal, some carriers submitted their appeal to HQMTMC. HQMTMC has upheld the carriers appeal in cases where the carrier could provide proof of timely submission of the 1840 to the TO.

The DD Form 1840 is a very important document in regards to scoring shipments. Performance/TQAP scores are important to a carrier. The carrier's score is the driving factor on whether a carrier may participate in the DOD program. The DD Form 1840/1840-R provides pertinent data such as loss and damage, and the date the member received their shipment. These are two of the three scoring elements used under TQAP.

The DTR, Part IV, Appendix BM, paragraph C.4.c(1), states that the "completed DD Form 1840/1840-R will be the primary source document used by the TO to develop an estimated dollar value as to loss and/or damage sustained to the member's property on the move." The DTR also states in paragraph C.4.c(6), that "Before attempting to score the shipment, origin TOs must ensure the carrier is allowed the maximum time (75 calendar days following shipment delivery) to submit the DD form 1840/1840-R. If the DD Form 1840-R information has not been received by the origin TO at the time the shipment is scored, the TO will compute the score with the information available and annotate the absence of the DD Form 1840-R in the remarks section, "No DD Form 1840-R available at the time of scoring." Without member feedback, no shipment will be scored until at least 90 days of shipment delivery or a DD Form 1840-R has been received. A carrier's customer satisfaction query, signed by the member, is acceptable in lieu of waiting for the DD Form 1840-R."

Timely submission of the DD 1840/1840-R is the responsibility of the carrier. In many cases the TQAP scores being appealed for lack of an 1840, were scored well beyond 90 days of delivery to the customer. All appeals to HQMTMC were adjudicated in accordance with the DTR guidance listed above.

ESTIMATED CLOSURE: Closed 18 September 2002. Concur with the industry recommendation that carriers document the submission of DD Form 1840/1840-Rs by use of faxes, emails, or certified mail to the PPSO.

ITEM: 249

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Carrier Qualification & Performance Team

SUBJECT: Submission of DD1840 to the Origin TO

INITIATED: September 18, 2002

DISCUSSION: The ability to appeal for lack of a DD1840 has been eliminated. A shipment score is based on three things that are measurable, on-time pick-up, on-time delivery, and the amount of loss or damage. The submission would be considered a non-scored element. In many cases, 40 points are being removed and appeals are being denied even when no loss or damage has actually occurred. The refusal to review the 1840 during the appeal period is contrary to the provision that states a carrier can appeal a shipment score.

RECOMMENDATION: Allow the appeal process to include the submission of previously missing DD1840.

RESPONSE AND/OR SUMMARY: *This item reiterates item 248. The response to item 248 incorporates the issues in this item.*

ESTIMATED CLOSURE: *Closed 18 September 2002. Carriers may appeal their TQAP score. Appeals will be upheld if the DD Form 1840/1840-R is submitted in accordance with the provisions of the DTR, Part IV, Appendix BM, paragraph C.4.c(6). DD1840's dated before 18 Sep 02 cannot be submitted in the previous appeal process. The Industry needs to be able to provide proof of submitting the 1840 within the 75 days per the DTR.*

ITEM: 250

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Operations Team

SUBJECT: Certification of SIT Storage on DD619-1

INITIATED: September 18, 2002

DISCUSSION: There appears to have been a recent change in MTMC/DOD policy as a recent message (021840Z Jul 02) was distributed by MTMC-HQ stating that ALL Storage-in-Transit (SIT) must be certified by the PPSO on the DD619-1 regardless of the storage periods. The previous requirement for SIT certification did not require a TO signature - if the number of days of SIT were less than 15 on UAB and less than 30 on HHGs. Industry wonders why this additional 'administrative burden' has been placed on the Carriers and Transportation Offices. Further, there appears to be a reluctance by some of the Transportation Offices to provide the carriers with the signatures upon request.

RECOMMENDATION: MTMC should examine the difference between the old PPTMR and the new DTR confirming if the policy change was indeed intended or simply an oversight. If the policy is to stand, as recently communicated, then a review should be performed in six to twelve months to determine if the impact of the additional workload created by the change result in any saving or additional controls that warrant the continuance of the requirement.

Summary/Response: MTMC disseminated a Traffic Management Advisory message (DTG 041414Z Sep 02) to all PPSOs, the General Services Administration, and finance offices notifying them that the requirement to certify DD Forms 619/619-1 for the initial storage period (30-day increment for HHG and 15-day increment for UB) has been waived until 30 Sep 02. This will apply to ITGBL shipments entering storage on or before 30 Sep 02. MTMC concurs with reviewing the workload impact within six to 12 months.

Estimated Closure: Closed 30 Sep 2002. The Military Services wish to have the TO's inspect and certify all of the DD619-1. The message posted on the web will stand.

ITEM: 251

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Personal Property Programs Division
and Systems Services Division

SUBJECT: Elimination of GBLs

INITIATED: September 18, 2002

DISCUSSION: GSA's Office of Government wide Policy has abolished the Government Bill of Lading, while giving DOD a waiver through 2002 to accomplish the switch to use of Commercial Bills of Lading. We have heard that MTMC intends to modify TOPS to remove the word "Government" from the TOPS-generated lasers printed GBL in order to meet this requirement, with a possible effective date in October 2002.

Carriers need to have advance notice of any change in this area, so they can make any necessary changes to their automation systems.

RECOMMENDATION: MTMC should indicate what they are doing with regards to the elimination of the GBL, including a timetable. If the change will involve a change in the numbering system for bills of lading, carriers need to know how many characters will be used in the new numbering system, so that computers can be programmed to accept a Bill of Lading number with that many characters. If there are any other changes to the procedures for bills of lading, carriers need to know those as well to train their personnel.

STATUS/RESPONSE: *CLOSED TOPS will model the proposed "Bill of Lading" after the present SF1203 form currently in use. The modifications are to change "U.S. Government Bill of Lading" to read, "Bill of Lading" for domestic shipments only. The TOPS system will automatically print the correct bill of lading base on the code of service. The development portion has been completed. Once the software change has been demonstrated to the government representatives, MTPP-SH and PPPSO, and it has been approved, the software will be given to the Independent Verification and Validation Contractor (IV&V) to test it thoroughly in TOPS systems located at HQ MTMC. Once this test is completed and has passed, the software will be given to five active TOPS sites for one week of testing. If software passes all these phases of testing, the PPPSO will release the software to all TOPS sites for immediate use. Actual release is scheduled for December 2002.*

ESTIMATED CLOSURE: *Closed December 2002. Software has been released to sites in December 2002 for Domestic usage. The International shipment will continue to move with the Government Bill of Lading.*

ITEM: 252

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Systems Service Division and Military Services

SUBJECT: Issuance of GBL - Block 18 Preparation

INITIATED: September 18, 2002

DISCUSSION: The DTR instructions for preparation of Block 18 on the GBL are as follows:

Block 18, Consignee Name, destination, delivery address, and rate area code (e.g., US11, US12, US13, etc.) Rate area code is only required on ITGBL shipments.

(1) TGBL Shipments.

(a) Consigned to the Member. Enter the member's name (last name, first name, and middle initial) rank, and activity to which assigned (shipments destined overseas—spell out the name of the activity and country – do not show APO/FPO number) or delivery address, including the street, city, county, state or country, and ZIP code.

The GBL information in Block 18 is resulting in confusing information regarding the exact destination information for ITGBL shipments, especially those where Grafenwhor is the destination Transportation Office. T.O.s are inconsistent in how the information is filled out so that interpretation of the correct destination country is difficult. (Examples can be supplied - if required.)

RECOMMENDATION: *It is recommended to move the rate area information to a different block on the GBL. Block 25 - "Remarks;" Block 27 - "Description of Shipment;" or Block 31 - "Tariff or Special Rate Authorities," would be more appropriate places for this information. Making this change would leave Block 18, "Consignee," clearly indicating the proper destination for the shipment and eliminate any confusion as to where the shipment is supposed to be shipped/delivered.*

RESPONSE: *Closed. The item was fixed under two software fixes. The software has been modified to automatically retrieve and populate the correct Rate Area in BASIC application for ITGBL shipments. This fix was in ICP 9.3 and downloaded to all TOPS sites on April 24, 2002. Also, SCR 123 (6411) to show the correct city and country name in the OCONUS screen in BASIC. Before it would display the responsible destination PPSO Name. This was fixed in ICP 9.3.2 and downloaded to all TOPS site June 25, 2002.*

ITEM: 253

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: DFAS and GSA

SUBJECT: Application - Enforcement of the "Prompt Payment Act"

INITIATED: September 18, 2002

DISCUSSION: Increasingly it would appear there are a variety of interpretations for the application of the "Prompt Payment Act" leading to confusion as to when the government is liable for the payment of interest to the carriers/warehousemen on both GBL and NTS shipments.

Noting that there has been no 'statutory' changes in the Act advised to the Industry, then presumably there may be confusion or a mis-interpretation on the part of the government paying offices and/or the pre-payment and post-payment auditing firms now utilized by the Military Services and GSA.

RECOMMENDATION: Since GSA is the ultimate entity having control over the final review of carrier invoices it is recommended they be tasked to confirm in writing their application of the Prompt Payment Act in all possible billing/invoicing scenarios for government shipments and storage.

The Industry will then be given the opportunity to review the GSA policy and procedures, indicating where there is need for clarification and/or direct disagreement of applications. Pursuant to those exchanges and discussions, all parties involved can reach mutual agreement on the policy for the payment of "Interest" under the Act.

SUMMARY: *The GSA prepayment audit contractors are guided by the Prompt Payment instructions for the agency or service that has hired them. The only Prompt Payment interest issue that has been sent to GSA Audits, we have advised the claimant to file with the GS Board of Contract Appeals.*

ESTIMATED CLOSURE: *Closed. 18 September 2002.*

ITEM: 254

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Military Services and Operations Team

SUBJECT: U.S. Customs Documentation - Enhanced Compliance

INITIATED: September 18, 2002

DISCUSSION: U.S. Customs Officials are increasing their diligence to insure compliance with documents for FIREARMS and MOTORCYCLES.

Firearms: If the 1252 states that the shipment contains firearms, the carrier or clearing agent must submit a completed 1252-1 (all sections especially the code section 13a) and an ATF F6-Part II (all sections must be complete). A big part of the problem is that the forms are not completed properly by the service member and/or TO and therefore holds up the clearance of entire container.

Motorcycles: If the 1252 state that the shipment contains a motorcycle, a completed EPA Form 3520-1 and a HS7 (the Declaration) must be submitted. When Customs challenges the HS-7, the carrier or clearing agent is requested to submit a 'letter of conformity' from the manufacturer of the motorcycle to verify that the motorcycle was manufactured in the USA and/or was manufactured to meet all U.S. EPA and DOT regulations/standards.

Should the motorcycle not conform and/or the letter of conformity cannot be provided; an AAPT (partial clearance) has to be filed by a Licensed Customs Broker and the motorcycle be placed into General Order Storage (G.O.). Only after this is accomplished can the rest of the freight in the container be released. The service member has the following options for the non-conforming motorcycle; 1-Customs will destroy the motorcycle, 2- pay to re-export the motorcycle anywhere but Canada or Mexico, 3-pay for a Bond to remove the item from G.O. and pay a certified repair facility to bring the motorcycle into compliance.

The Carriers should not be held liable for any expense or resultant time delays (missed RDDs) due to these problems. Also, it ultimately costs the service members in unanticipated expenses, as well as delayed delivery of his goods, not to mention the potential for increased loss and damage claims when the shipment has to be accessed at the port of arrival to remove the motorcycle.

RECOMMENDATION: Advise/Train PPSO on the Customs Regulations. Require Transportation Officers to process the VIN numbers with US Authorities (EPA/DOT) before the purchase is made by the member and/or before the authorization is given to ship. Insure all documentation is complete.

Allow carriers to bill any charges associated with the lack of documents.

SUMMARY/RESPONSE: *MTMC/Military Services believe that the responsibility to ensure a motorcycle conforms to EPA/DOT standards belong to the service member. The service member is also responsible for notifying the Transportation Office that the motorcycle is nonconforming and is responsible for making the appropriate arrangements upon entry into the US. MTMC will send a message on shipment of nonconforming motorcycles, similar to the message on shipment of nonconforming POVs. In regards to the incomplete customs documentations on firearms, the carrier should be reviewing these documents prior to movement of the shipment from origin. If the document is incomplete, the carrier should notify the Transportation Office. If the Transportation Office refuses to comply, the carrier should notify MTMC.*

STATUS/ESTIMATE CLOSURE DATE: *Closed 19 February 2003. Copy of message is on the Website.*

ITEM: 255

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: U.S. Air Force

SUBJECT: Air Force Regionalization Implementation

INITIATED: September 18, 2002

DISCUSSION: The Department of the Air Force has begun the Regionalization process at the JPPSO-SAT and JPPSO-COS. Industry would like a briefing/update/discussion on lessons learned to date from both AF and Industry. Of primary interest would be the use of zones at JPPSO-COS and JPPSO-SAT and the timelines for future expansion. Of overriding concern is how will this program fit in with the MTMC Future Personal Property Program?

RECOMMENDATION: The Air Force should provide an update on this program. In addition, all parties should discuss any lessons learned that could be applied as the regions continue to expand. How can industry provide suggestions on structuring the zones at these locations?

SUMMARY/RESPONSE: *This item is cancelled and merged into Item 259..*

ESTIMATED CLOSURE: *Closed 19 February 2002 and merged with Item 259.*

ITEM: 256

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Air Force Claims Services

SUBJECT: Air Force - Claim Set-Off Appeals

INITIATED: September 18, 2002

DISCUSSION: First, Industry would request that the Air Force advise on the status of its efforts to catch-up on the backlog responding to claim 'set-off appeals.'

Currently, reports would indicate that it is taking an average of nine months to a year to receive a response. The second area of concern is when the Air Force will respond to a carrier set-off appeal, there may be mutual agreement on everything but one item, and the carrier will write back to point out an error, request documentation or provide information in support of its position; however, the Air Force appears to be treating the carrier's follow-up response as a totally new appeal; requiring the carrier to wait another nine months+ for a response on a claim appeal that is already open.

RECOMMENDATION: Effort should be increased to reduce the Appeal backlog. The practice of treating OPEN appeals, rebuttals or requests for additional information as NEW appeals should be corrected.

RESPONSE/SUMMARY: *Currently, first responses are running about ten months from date of receipt. Second refund responses that have a prior refund response are normally handled within a couple of months of receipt.*

ESTIMATE CLOSURE: *Closed 18 September 2002. The Air Force has been able to maintaining a zero inventory of open DOHA Appeals since September 2002. As for 2nd and 3rd Refund Requests, where self-addressed stamped envelopes are provided, they are being sent to the carrier. Since September, 2nd and 3rd refund requests without self-addressed stamped envelopes are having letters sent to the carrier listing groups of these claims acknowledging receipt.*

ITEM: 257

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Military Claim Services

SUBJECT: Depreciation on Claims - "Expensive Wood"

INITIATED: September 18, 2002

DISCUSSION: An issue that has been raised before is the interpretation of "Solid Wood (Expensive)" in the JMIDG.

The Air Force came out with specific guidance to their field offices, directing them to apply the 2 percent depreciation rate (instead of 7) to any furniture made of oak, cherry, walnut, mahogany, etc.

The confusion or inaccuracy enters the claims adjudication process when this 'elite' category of depreciation is applied to relatively inexpensive (cheap) furniture, instead of expensive furniture as it was intended.

RECOMMENDATION: Until such time that the Industry and the Claims Services can arrive at mutually acceptable and specific guidelines as to what qualifies as expensive woods and how and by who those determinations are reached, the Industry would recommend that proper guidance be resubmitted to the field.

This guidance should remind Claims Offices that the actual JMIDG does NOT include their verbiage about specific woods, and requires this lower rate of depreciation apply only to 'expensive' furniture.

RESPONSE/SUMMARY: *Expensive woods are solid hardwood such as "oak, cherry, walnut, teak, rosewood and mahogany.*

ESTIMATE CLOSURE: *Closed.*

ITEM: 258

PROPONENT: Personal Property Division

STAFF PROPONENT: Operations Team

SUBJECT: On-Time Household Goods Performance

INITIATED: September 18, 2002

DISCUSSION: MTMC is conducting monthly analysis of on-time performance for both domestic and international shipments. Recent analysis indicates that on-time percentages are well below MTMC's intended goal of 99 percent. MTMC has noticed, in particular, a downward trend in on-time performance for shipments to/from the Central Command (CENTCOM), Joint Forces Command (JFCOM), and Southern Command (SOUTHCOM).

RECOMMENDATION: Discuss methods of improvement so that MTMC's goal may be attained.

STATUS: Closed 18 September 2002.

ITEM: 259/261

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Air Force/Military Claim Services

SUBJECT: Air Force Regionalization

INITIATED: January 28, 2003

DISCUSSION: The Air Force should give industry an update on its progress/lessons learned, etc. What is the future plans for expansion of the program? Are other services going to join in? Industry requests that there be standardization of booking process--fax is the least effective and most likely to cause problems. Email is far more efficient and offerings are not so easily "lost" while also providing time/date verification of offering and answers.

Industry also requests an open discussion about the use of booking zones, what areas suspension actions apply to, and whether a shipment refusal in an area that the carrier does not have an agent should result in a letter of warning or possible suspension when zones are not used.

Since one of the stated objectives of this initiative is to create more carrier responsibility, the PPSO must always notify the carriers directly of any "agent" meetings at the base and The carrier make the choice as to whether or not to attend. There should not be any "agent-only" meetings in these new "super-PPSO" situations, since the base's relationship is with the carrier. Agents should always be welcome, but carriers must be notified directly of all meetings. Industry requests the Air Force's concurrence with this issue.

Finally, industry requests that MTMC discuss the "mid-cycle" changes, which are occurring, where carriers have not had an opportunity to reflect their increased costs in the rates filed. Examples include the recent changes in booking procedures at JPPSO-NE. The PPSO is shifting workload to the carrier and the carrier needs to be able to be properly compensated for the costs incurred.

Recommendation: The Air Force should work with the industry to establish the procedures for handling the super-sized JPPSOs, including zones, booking, document imaging, suspensions, and other aspects of the process. Meetings should be announced further in advance, with notice provided to all carriers (not just agents) with rates on file at that base, to encourage industry attendance. There should be a detailed discussion at the M/I between the Air Force and industry representatives about how this process is proceeding, and what changes can be made to improve the end product.

RESPONSE:

1. Phase I implementation of A.F. regionalization initiative at JPPSO-SAT and JPPSO-COS achieved our goals of consolidating back-office functions, improving counseling/QC functions and ultimately improving the overall quality of the move process. AF/ILG announced Phase II in July 02 to be effective April 2003 (Rate Cycle). No decision has been made at this time regarding Phase III.
2. TOPS supports the Book-Fax process and we know of no problems with that part of the system. E-mail bookings are being used at JPPSO-SAT. JPPSO-NE is offering shipments via email to those carriers/agents that have provided them the capability. We are evaluating the email booking process for future expansion.
3. If a carrier submits an LOI for an AOO/zone then the carrier agrees to service that entire AOO/zone. Failure to provide satisfactory service in one AOO/zone will result in QC action for the entire AOR in accordance with the DTR.
4. Carriers are encouraged to participate in/with their agents in all meetings.
5. Carriers must designate a booking agent on the LOI or they can represent themselves--carriers' choice.
6. Once a phase implementation is announced by AF/ILG, the affected JPPSO announces a JPPSO/industry meeting that all carriers/agents can attend.

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Consolidation of TQAP scores at JPPSOs adding Bases

INITIATED: January 28, 2003

DISCUSSION: When JPPSO-COS added several bases, the new combined semiannual scores did not come out until the middle of May, well into the new cycle. As JPPSOs continue to add bases, we want to make sure that we get our semi annuals sometime earlier than what we did last year.

RECOMMENDATION: Gaining bases need to ensure that new scores are calculated correctly and timely.

***RESPONSE:** Closed 19 Feb 03. During Phase I JPPSO-COS did distribute the combined scores after the 45-day appeal period. The problem was recognized and adjusted for Phase II. Phase II international scores were consolidated and distributed on 22 Jan 03 and domestic will be sent out on 19 Feb 03.*

ITEM: 261/259

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services (USAF)

SUBJECT: Establishment of AORs

INITIATED: January 28, 2003

DISCUSSION: As the Air Force goes down the road to regionalization; the establishment of zones within the large AORs will become more and more important of an issue. We feel that the creation of additional Areas of Operation, or Zones, would benefit every party.

As an example, in the past JPPSO-NE has called the agents in New Hampshire to handle shipments out of their general service area. This was done even when that agent wasn't listed as the booking agent, but was on the LOI as a non-booking agent.

Because there are fewer movers in some of the outlying areas of one zone, there are going to be carriers that will not be able to add a secondary servicing agent to its LOI to cover those remote areas. Allowing agents to represent more carriers may not solve the problem, as some agents can't represent any carrier the carrier it represents for prime commercial affiliation. The carrier may be providing excellent service for shipments coming out of the most populous area. However, suspension is risked because the carrier and the carrier's agent can't provide service on a shipment that is picking up more than one hundred miles away. If this carrier is suspended, will the capacity and good service they have provided on shipments out of their primary service area go away?

Another question is what happens if a carrier accepts the shipment and the carrier's agent has to go two to three hours one way to pack/pick-up the shipment? The local agent's crew will spend the majority of the day with windshield time rather than packing or picking up a job. Overall capacity will be impacted negatively. Additionally, it will be less profitable for the agent to have crews driving that far and this could have an upward impact on rates. Most importantly, having an agent drive far from their normal base of operations to handle the shipment may impact the quality of the move for the service member.

By establishing zones that reflect the uniqueness of the AOR, agent capacity will be maximized and service failures will be minimized. There will be fewer refusals and carriers/agents won't be penalized for not handling shipments outside of their general service area. For these reasons, we think that keeping the required service area to a manageable size will be best for all parties.

RECOMMENDATION: The criteria used to establish zones of operation should be discussed. At one point, the Air Force was considering setting up a separate SCAC for each state in the multi-state Regional JPPSOs. Is this idea still under consideration?

RESPONSE:

1. Each AF JPPSO is establishing AOOs/zones in conjunction with regionalization.
2. JPPSO-NE is only offering shipments to the booking agent, or, if no booking agent is designated, they use the first agent listed on the LOI in accordance with the DTR.
3. Servicing shipments in outlying areas has always been a problem but not caused by regionalization. It is the carrier's responsibility to manage its servicing agents and ensure they are represented throughout the AOO/zone. If they can't service an AOO/zone, they should not file a LOI for that AOO/zone. We are paying for managed transportation, not to manage it.
4. The Air Force is a proponent of reviewing the current rate structure (GBLOC to state) to a state-to-state (with exceptions) structure. Such a proposal has been presented to the TOPS JDT.

ITEM: 262

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services (USAF)

SUBJECT: AF Reorganization – TQAP Scores

INITIATED: January 28, 2003

DISCUSSION: When JPPSOs take over additional AORs, you could have a situation where a carrier used to only be on file at a small base being added, but not at the large JPPSO. In this instance, as we understand the rules, their TQAP score would be carried over and would apply to the much larger JPPSO in the next cycle. It does not seem fair that a carrier could have a 100 score by virtue of handling one shipment at a base in Arizona, and this carrier would be ranked higher at JPPSO-COS than another carrier who has been servicing JPPSO-COS and handling lots of shipments there, but who maybe got a 98 on one of those shipments, thus bringing his average down below 100.

RECOMMEDATION: We should discuss whether this is the best way to calculate the scores as the JPPSOs expand.

AIR FORCE RESPONSE: Closed 19 February 2003.

Ref. DTR, Appendix BM, Page BM-19, Paragraph C.7.b.1. Individual scores received at the closing/realigned activity and the gaining activity will be added together at the gaining activity to give the carrier one semi-annual score for all shipments moved by a single carrier. The performance score will even out after the next rate cycle. Under regionalization our analysis indicates that some carriers who had a score of less than 90 benefited from the consolidation procedure.

ITEM: 263

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services (USAF)

SUBJECT: Suspension

INITIATED: January 28, 2003

DISCUSSION: With the massive size of the Air Force JPPSOs, a problem at one area could lead to a suspension throughout the entire JPPSO. Because the mentality of many PPSOs is to hand out suspensions like candy for even minor offenses, this is not fair to punish the carrier with such a significant loss of business unless the infraction is truly large.

RECOMMENDATION: For most offenses, suspensions should be limited to the immediate area where the problem occurred, rather than applying JPPSO-wide. PPSO's should use their traffic management judgment more judiciously in handing out suspensions when lots of business is at stake.

AIR FORCE RESPONSE: Closed 19 February 2003. Consolidation of QC action under regionalization has/will result in increased surveillance of QC actions. Regionalization will create a more standardized and consistent suspension process. Suspension action will come from a central office (JPPSO) instead of multiple PPSO's.

ITEM: 264

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Operations Teams

SUBJECT: Long Deliveries out of SIT vs. Deliveries out of SIT beyond 30/50 mile radius

INITIATED: January 28, 2003

DISCUSSION: A Long Delivery out of SIT occurs when a shipment is in an SIT status and the Transportation Office (TO) orders the shipment to be delivered to the member's destination address that is beyond that TO's Area of Responsibility (AOR) and is in another destination TO's AOR. Then the first TO is required to order the carrier to make delivery of the shipment to this new location and prepares a Certificate of Long Delivery out of SIT and issues it to the carrier and notifies the new destination TO of the delivery service ordered.

Shipments delivering from SIT under the Domestic and International solicitations have an agreed to delivery radius of 30 miles for domestic and 50 miles for international, with provisions for deliveries that are beyond these distances. The agreed to mileage is for rate applications and is calculated from the carriers SIT warehouse and the delivery address. Each solicitation has rules and rates that apply for any address. Each solicitation has rules and rates that apply for any additional mileage from SIT warehouse and destination address. The carrier prepares a DD 619-1 with all accessorial information and submits to the destination TO for certification. The key here is that the delivery is still within the original TO's AOR.

The problem is that GSA Audits has recently started requiring certification by the TO on all deliveries out of SIT beyond the 30/50 mile distance and not just on deliveries outside of an AOR.

RECOMMENDATION: GSA Audits needs to accept the MTMC definition of long deliveries requiring certification so that PPSOs are not deluged with requests to go back and certify them on all of the old shipments that GSA is auditing. Alternatively, DOD needs to revise whatever rule is necessary to avoid excessive paperwork by PPSOs in certifying deliveries.

RESPONSE: Final clarification is forthcoming from TRANSCOM. A copy will be placed on the MTMC website.

ITEM: 265

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: MTMCHQ/DFAS

SUBJECT: PowerTrack

INITIATED: January 28, 2003

DISCUSSION: MTMC has announced plans to implement PowerTrack in the current program as early as July 2003. There are a number of steps that need to be taken before this process is ready for implementation, and carriers need as much information as possible about what their responsibilities will be, including technical details about electronic communication with CWA and PowerTrack.

RECOMMENDATION: MTMC should provide an update on its plans to implement PowerTrack in the current program, including the location(s) of initial rollout.

RESPONSE: Closed 19 February 2003 Phase I of the Families First Program consists of implementing PowerTrack in the current program. The initial rollout of Phase I is scheduled to take effect in the October 2003 timeframe with additional sites following. We are working with US Bank to develop an Implementation plan, which will include, site locations, training plan, and training. An initial Federal Register Notice announcing the implementation of PowerTrack in the current Domestic and International Programs is being prepared. The CONOPS, Business Rules and System Interfaces will be posted on the MTMC's Families First Web Site for industry to access. The EDI 859 Interface with US Bank and Central WEB Application is being finalized and will go out to industry in mid April 03. Please contact George Thomas Jr. hqmtpppstaff@mtmc.army.mil with any additional questions about the PowerTrack system.

ITEM: 266

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services/Operations Team

SUBJECT: Saturation Notices

INITIATED: January 28, 2003

DISCUSSION: If an agent tells a base that they are saturated on a particular day, then all of the carriers represented by that agent are considered saturated for that day, even if they have other agents listed on the LOI who are not saturated. With the enlargement of some bases' AORs to huge areas, it is not reasonable to assume that one agent will be able to handle the entire geographical area, so multiple agents on an LOI will become more common.

RECOMMENDATION: MTMC should clarify that saturation notices by an agent will not cause the entire carrier to be automatically declared saturated if the carrier has other agents listed on their LOI who have not provided saturation notices.

RESPONSE: Closed. Carriers should instruct their booking agents to notify them before declaring saturation so that carriers can initiate an alternate solution.

ITEM: 267

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: TQAP Appeals – Cover Sheets

INITIATED: January 28, 2003

DISCUSSION:

The DTR Part IV, Appendix BM C.5.b.3 states: "Completed copies of the DD Form 1780 will be batch mailed to the carrier by first class mail on the 15th and 30th of each month. A cover sheet indicating which DD Forms 1780 are included is required on all batch mailings (may list by member's name, GBL number, etc.)." The cover sheet is required, not optional, but many PPSO's are not using them.

MTMC has recently denied carrier appeals where the carrier has stated that the PPSO never sent a DD1780 to the carrier, the carrier has no cover sheet or transmittal acknowledgement, and the first notice the carrier had of the shipment score was on the cycle end report.

The very reason this was made a requirement in the regulations was to preclude a PPSO from putting individual shipment scores on the cycle end without proper notice to the carrier during the cycle, thus denying the carrier the opportunity to appeal or to have some ability to project its upcoming average score. MTMC stated in one recent denial "We agree that the TO did not provide a copy of the DD Form 1780 or the Transmittal Letters as required by the regulation, but do not agree with removing the score to the next evaluation period."

What is the regulation for? MTMC should provide information as to how a carrier can know its developing score or be prepared to appeal shipment scores if the regulation is not enforced to require to the PPSO to use the transmittal letter or cover sheet (or in this case, if MTMC is saying that the PPSO did not even have to provide the DD1780).

RECOMMENDATION:

If carriers are required to comply with the DTR, MTMC and the PPSOs should also have to comply with it. Carriers need to be provided with a fair opportunity to know which shipments are being scored. If a score is not properly transmitted to the carrier, it should be held until the next scoring cycle.

RESPONSE: Closed. MTMC issued a message on 04 Apr 03 Msg 041258Z reminding the T.O. to include a cover letter with the 1780's batch mail.

ITEM: 268

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: TQAP Appeals Batch Mail Dates

INITIATED: January 28, 2003

DISCUSSION: MTMC has recently taken the position that the postmark does not establish the batch mail date of a shipment score (DD1780). Many times, the PPSO dates the DD1780 one date, but it is not postmarked till several days later. Past practice has always been that the postmark determined the batch mail date. Unfortunately (like many other things), the DTR Part IV rewrite did not incorporate the language, which had existed in MTMC guidance messages regarding the use of the batch mail

date. It is patently unfair to deny the carrier the full appeal period by using only the date on the DD1780 without regard to the actual postmark. Sometimes there is a difference of several days to a few weeks between the date on the DD1780 and the actual postmark. If this delay is long enough, the carrier would lose its entire appeal opportunity.

The postmark has historically been used to determine the cutoff date for scoring and which cycle a shipment scores applies to. MTMC has recently overruled this past practice and has stated that the date on the DD1780 determines which cycle it applies to. Every cycle, we have dozens of scores that are received long after the cutoff date of the cycle. Previously, our appeals have been granted that such shipments should apply for the new scoring cycle based on the postmark. Without this clarity, the carrier cannot project what its scores may be and thus cannot position itself to be prepared to handle the traffic offerings which may be made. In conversations, MTMC has stated that they can't be locked into the postmark applying due to post-9/11 security issues with mail handling. We don't see that this is a problem. The scores will still count; the postmark will simply determine when the appeal period ends and what cycle the scores apply. As a matter of fairness, the postmark on a carrier's appeal is used to determine if it is timely; the rules ought to apply the same way with the actual mailing of a score or cycle end report by the PPSO.

RECOMMENDATION: MTMC should return to the longstanding practice of using postmark dates to determine batch mail dates for which cycle a shipment is scored in.

RESPONSE: Closed *MTMC issued a message on 04 Apr 0 041258Z advising T.O.'s to use the U.S. postmark date on the envelope to determine the appeal deadline.*

ITEM: 269

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Loss and Damage in TQAP

INITIATED: January 28, 2003

DISCUSSION: We are receiving 1780s that indicate loss and damage. However, there is no documentation to substantiate the loss or damage. The 1840 have no loss or damage. There isn't an 1840R. No claim, etc.

When appealed we are told by the transportation office to contact the destination PPSO for information on the loss/damage because they are just using the loss and damage amount that was entered into TOPS by destination. One transportation office told us that he contacted MTMC and MTMC said the carrier has to call the destination PPSO.

RECOMMENDATION: The job of scoring shipments is the origin PPSOs', and they need to provide the carrier with sufficient information to substantiate loss and damage, i.e. with something other than "that's what's in the computer."

RESPONSE: *Closed. Agree with the Carrier Industry. MTMC issued a message on 04 Apr 03 041258Z advising T.O.'s to enclose a copy of the source document that was used for scoring. DD Form 1840/1840R will be the primary document for the scoring of shipments. If documentation other than the 1840 is used, a copy of that documentation must be forwarded to the carrier with the DD Form 1780.*

ITEM: 270

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: TQAP Appeal – Late 1840's

INITIATED: January 28, 2003

DISCUSSION: At the last M/I in Sept 02, Item #248 and 249 dealt with the issue of carriers being allowed to provide a DD1840 on appeal when points are deducted for lack of DD1840. Some PPSO's have been assessing a 40-point penalty when the DD1840 was not submitted to the origin PPSO within 75 days, even though there is a DD1840 and it may have been submitted late. Much discussion of this item ensued and MTMC was tasked with issuing message to PPSO's to advise them that they must honor carrier appeals from a certain date forward when the DD1840 is presented on appeal after the initial scoring of the shipment. No message has been forthcoming from MTMC and some PPSO's continue to deny carrier appeals on this matter. PPSO's failing to sign and return transmittal letters sent by the carriers with their DD1840's so that the carrier has an absolute record of receipt of the DD1840 by the PPSO

further compound this.

RECOMMENDATION: MTMC needs to re-affirm the carrier's right to appeal and present a DD1840 after the 75th day from delivery. MTMC also needs to remind PPSO's that they must cooperate in timely signature and return of carrier-provided transmittal letters for DD1840's.

RESPONSE: Closed. 75 calendar days from the shipment delivery date is adequate time for a carrier to submit DD Form 1840/1840R. A carrier may only appeal after the 75 days if they can prove the DD Form 1840 was in fact submitted within the allotted 75-day timeframe. Otherwise an appeal will not be accepted. This item was merged with Item 248.

ITEM: 271

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Faxing LOIs to the Base

INITIATED: January 28, 2003

DISCUSSION: Some bases are telling carriers that they need to follow up fax submissions of an LOI with an actual 'hard copy'. This seems to contradict DTR regulation Chapter 402, section L.

RECOMMENDATION: MTMC should remind PPSOs that fax submission of an LOI is acceptable and that hard copies are not required.

RESPONSE: *CLOSED MTMC issued a message on 04 Apr 03041258Z advising PPSO's that faxed LOI's can be accepted. Mailing hard copies is not a requirement.*

ITEM: 272

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Service/MTMC

SUBJECT: Paper Check Conversion

INITIATED: January 28, 2003

DISCUSSION: DFAS Kansas City (contact Mark Tesky) issued a letter to all their customers in December 2002 outlining their intention of instituting a "Paper Check Conversion" program. Their message states: To enhance our Customer Service, decrease our overhead costs and take advantage of electronic commerce, we are implementing a program known as Paper Check Conversion. Authorization to Convert Your Check: Effective 1 January 2003, if you send us a check to make your payment, your check will be converted into an electronic fund transfer. "Electronic Fund transfer" is the term used to refer to the process in which we electronically instruct your financial institution to transfer funds from your account to our account, rather than processing your checking. By sending your completed, signed check to us, you authorized us to copy your check and to use the account information from your check to make an electronic fund transfer from your account for the same amount as your check. If the electronic fund transfer cannot be processed for technical reasons, you authorize us to process the copy of your check.

Transaction Information: The electronic funds transfer from your account will be on the account statement you receive from your financial institution. However, the transfer may be in a different place on your

statement than the place where your checks normally appear. For example, it may appear under "other withdrawals" or "other transactions." You will not receive your original check back from your financial institution. For security reasons, we will destroy your original check, but we will keep a copy of the check for record-keeping purposes."

MTMC or DFAS should advise if any other DFAS locations intend to implement this process. Industry objects to this process and wishes to discuss the implications and potential problems, such as:

1. While it says DFAS will destroy the check, there is no assurance that it will not occur?
2. If the payment submitted is for a claim, the back of the check constitutes a release. By destroying the check and not returning it to the carrier's bank, the carrier will not have a record of the release of liability on the claim for which it was issued. This will force the carrier to handle its claims payments twice, first by sending a written release to the claims office and then by actually issuing the check in payment, which will delay getting money to DOD and increase the carrier's cost of processing claims.
3. The carrier has no control and no proof in this process and will be in a "he said/she said" position with DFAS if anything goes wrong.
4. Many carriers have "positive reconciliation" on their checking accounts. Since these payments will not be processed as checks, the bank statement will still list them as outstanding.
5. If anything goes wrong with the processing and we get charged for someone else's check, we have to deal with our bank and have no paper trail to prove or identify anything.

RECOMMENDATION: DFAS should not make unilateral changes like this without carrier approval. DFAS should advise if any other DFAS locations intend to implement this process. Industry requests general discussion of this process before implementation.

RESPONSE: Closed. To this date the program has not been implemented. However, if the program is implemented, vendors will have the option to not participate. To not participate, vendor must type "DO NOT PROCESS ELECTRONICALLY" on the check(s).

ITEM: 273

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Overtime Loading and Unloading

INITIATED: January 28, 2003

DISCUSSION: At the last M/I, Item 179 covered this issue, but appears to have been closed without a resolution. One option is to provide a mechanism similar to Item 414 in the D-7, which authorizes the difference between the regular labor charge and the overtime labor charge when overtime packing and unpacking is authorized.

RECOMMENDATION: MTMC should indicate the results from its review of Item 179.

RESPONSE: Closed 19 February 2002. Please see response for Item 179. Rates have been revised, effective 1 April 03.

ITEM: 274

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Carrier Re-qualification/Moratorium

INITIATED: January 28, 2003

DISCUSSION: MTMC is in the process of re-qualifying the existing carriers, and has a moratorium on new applications.

RECOMMENDATION: MTMC should provide an update on the progress of the re-qualification effort, and its plans for lifting the moratorium.

RESPONSE: *Closed. Applications accepted from carriers April 15, 2003 – May 22, 2003. The Application Acceptance process will open again in 2004. The actual date of application acceptance will be published within the next calendar year on our website.*

ITEM: 275

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services

SUBJECT: Stop Movement Orders

INITIATED: January 28, 2003

DISCUSSION: The Marine Corps and Army have reportedly issued stop movement orders for at least some units, and other services may have taken similar steps due to the imminent military action. These will have a significant impact on carrier workload, so it would be helpful for planning purposes to know as much as possible about the timing and percentage changes in the number of moves anticipated.

RECOMMENDATION: The military services should discuss what their plans are for moving household goods shipments over the next year, with as many specifics as possible under the circumstances.

RESPONSE: *Closed 19 February 2003. Military Services discussed this item.*

ITEM: 276

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Lapse in LOI Coverage and the TDR

INITIATED: January 28, 2003

DISCUSSION: After a carrier's LOI has become invalidated due to lack of representation, bases are not consistent with how they bring that carrier back on the TDR, once new representation is found. Some bases are bringing carriers from non-use back on the TDR as a new carrier, with a 90 score, instead of the most recent semiannual average shipment score. Others are following the DTR and bringing carriers back at their most recent semiannual average shipment score.

According to the DTR, (402-12, section R, paragraph 1), "If the carrier fails to obtain agent representation at the end of the specified period, the carrier's LOI will become invalid and the carrier will be placed in non-use." Then referencing Appendix BM, pages 8 & 9, Section 6, paragraph a (Return to TDRs of Non-use Carriers), item 2, "When non-use imposed by the TO is lifted, the carrier is reinstated to the TDRs using the carrier's most recent semiannual average shipment score and at the highest cumulative tonnage of any carrier within the same rate group on the TDR."

By bringing non-use carriers on the TDR as a new carrier, carriers can circumvent a traffic denial penalty, or a TO can penalize a carrier who has a proven performance record by effectively canceling out their most recent semiannual average shipment score and giving them an administrative 90 score for the cycle.

RECOMMENDATION: MTMC clarify and standardize (across all bases) how carriers are brought back to the TDR from non-use, regardless of their most recent semiannual average shipment score.

RESPONSE: *Closed. Carrier Qualification and Performance Team dissemble a message dated 041258Z Apr 03; advising the carrier of the 45-calendar day timeframe to submit anew LOI. After the 45 days the TO will place the carrier in nonuse.*

ITEM: 277

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Team

SUBJECT: Appeal to MTMC HQ

INITIATED: January 28, 2003

DISCUSSION: When an appeal is sent to MTMC, the appeal should be answered within 45 days or the appeal should be granted automatically as stated in the regulations. Some carriers have semiannual appeals that have not been responded to, up to four months after submission to MTMC.

RECOMMENDATION: MTMC needs to develop an expedited process to ensure that it can review these appeals within the 45 days permitted in the DTR.

RESPONSE: *Closed 19 February 2003. MTMC will work on an expedited process for the appeals.*

ITEM: 278

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Code 3 – Ocean Carriers and Port Terminal Service Problems

INITIATED: January 28, 2003

DISCUSSION: ITGBL carriers continue to have problems with ocean carriers who are appointed and contracted by MTMC to provide ocean and terminal services for Code 3 shipments moving in the Pacific.

As a carryover from the recent labor disputes on West Coast the ocean carriers, especially in Long Beach, are still experiencing long delays and a severe shortage of chassis equipment to mount inbound cargo. This equates to the potential delay in meeting RDD dates, as well as creates increased demands on the ITGBL Transportation Providers to track and manage the cargo as it is delayed or frustrated in the port terminals.

These same circumstances affects code 4 shipments from such areas as Guam and Hawaii, however, the transportation providers have the ability to switch to a competing ocean carrier service, since with Code 4 they are not dictated which ocean carriers are to be utilized.

RECOMMENDATION: MTMC should investigate the current situation. If it is determined that the delays and equipment shortage will continue, then ITGBL carriers should be given permission to utilize alternate ocean carriers. Any resulting differential in costs should be reimbursed to the ITGBL carriers. At a minimum, consideration should be given if RDDs are missed as a result of the on-going port delays and equipment shortages.

RESPONSE: *Closed 19 February 2003. APL and Maersk were contacted concerning delays. They confirmed they had experienced delays through January, but are now operating under normal conditions.*

ITEM: 279

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Operations Team/GSA

SUBJECT: Form 619 vs. Form 1840 for Verification of Unpacking

INITIATED: January 28, 2003

DISCUSSION: Recently, GSA auditors have begun arbitrarily disallowing the use of the 1840 as a form of verification or acceptable documentation effected by the Service Member that unpacking was been performed and the Transportation Provider is justified in billing for those services.

The acceptable use of the 1840 was agreed upon between DoD and the Industry several years ago, recognizing that there was an unnecessary duplication of documentation.

RECOMMENDATION: GSA and its auditors should be instructed by DoD/MTMC that the 1840 are acceptable and that there is not a requirement to provide the duplication of the DD-619 to bill for unpacking.

RESPONSE: Closed. Although it may have been past practice for carriers to submit the DD Form 1840 in lieu of the DD Form 619-1, MTMC believes GSA is correct. Per Chapter IV, Appendix A of the International Rate Solicitation, the DD Form 1840 is not listed as a document that is used to support the carrier's payment request. The DD Form 619-1, on the other hand, is required to support the carrier's payment request for billing of accessorial charges. Therefore, unpacking charges must be submitted on the DD Form 619-1 for payment. The DD Form 1840 may still be used for verification purposes (that the service was requested by the member) when the PPSO certifies the DD Form 619-1.

ITEM: 280

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Intra-theater Household Goods Traffic Management Program

INITIATED: January 28, 2003

DISCUSSION: During the most recent ITGBL rate filing many carriers just became aware that MTMC is no longer accepting Intra-European rates filed by USA based Transportation Providers. MTMC has a new policy wherein it is only accepting rates filed by the European based companies and agents.

Apparently, there is a new requirement that any Transportation Provider have certain necessary permits and licenses to conduct business in the foreign countries. This new requirement does not appear to make sense in that an ITGBL carrier normally conducts business overseas through its appointed agents and sub-contractors, relying on the fact that they possess the proper permits and licenses.

Also, in the past the ITGBL rate filing was done in advance of the Intra-theater filing and the European based companies were able to view the USA companies' rates in advance of their filing, perhaps creating an unfair disadvantage to the USA based companies.

RECOMMENDATION: USA based transportation providers and companies want to retain the right to bid and conduct intra-theater business. These are USA sponsored shipments and paid for with USA government funds, therefore, USA base carriers should have the right to compete for this traffic.

RESPONSE: *The MTMC Intratheater Household Goods Traffic Management Program TOS is based upon US Law. As Such, the US based ITGBL carriers are welcome to participate in the program providing they meet the requirement for approval to participate as stated in the tender in Section 2.*

ITEM: 281

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Overseas Diversions – From one Country to Another

INITIATED: January 28, 2003

DISCUSSION: The solicitation now allows for an overseas transportation office to divert a shipment from one country to another as long as it does not have to go over water.

This procedure is very costly and provides unfair compensation to the carrier, as the overseas line haul rate table does not cover the cost of the diversion.

The most common overseas diversions happen between Germany and Belgium. A 500-pound baggage shipment diverted from Stuttgart, Germany to Belgium will only allow the carrier to bill for a \$40.00 diversion fee and \$9.85 gross cwt for the 287 miles. The billable amount would be \$89.25; however the carrier will pay approximately \$66.00 per hundred pounds for the line haul and delivery difference between the two rate areas. This is a difference in revenue of \$240.75 since the carrier can only bill the through rate to the original rate area.

RECOMMENDATION: If a shipment needs to be diverted from one overseas rate area to another then terminate it at that location and re-tendered for shipment to the new destination. Or - a review must be completed of the Overseas Line Haul Tables to determine that proper compensation is being provided when used for the purpose of diversions.

RESPONSE: Shipment that are being diverted from one overseas rate area to a different another overseas rate area will be terminated and reshipped under separate GBL. PPSO's will contact HQMTMC for further instructions.

ITEM: 282

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Team

SUBJECT: Solicitation Changes to Mistake-In-Rate-File for One-Time-Only Bids

INITIATED: January 28, 2003

DISCUSSION: The solicitation has been changed to read that industry cannot withdraw an OTO bid due to a mistake in rate filing except in paragraph b. This is not fair to industry since a MIRF is a mistake in rate filing. That is the definition of the term and MTMC is now singling out OTO bids from the rest of the movements.

A carrier is now being forced to keep a shipment even if ample evidence is provided that they will lose money on it due to an error (Government and/or carrier). There are times when it may not be at the fault of the carrier but of the overseas agent that provided the rate. Many bids from MTMC require the carrier to use a specific agent chosen by MTMC (or the Foreign Embassy) for that move. In essence, the required agent as specified by MTMC could provide incorrect information for the rate and the carrier will still be forced to move the shipment at a loss.

Paragraph b. reads that a MIRF could be filed based on incorrect information provided directly by the government and therefore you must submit for a MIRF within 72-hours of the award and prior to packing. Most OTO bids are calculated based on the 'estimated weight' provided by the government.

Currently a MIRF can be filed at any time before packing due to a large difference from the pre-move survey and the estimated weight. There is no reasonable way to expect a pre-move survey result in 48-hours so you can MIRF within 72-hours, especially for a shipment that may not pick up for three to 6 months.

The member may not even know what items they are moving at that time. Also the 72-hour window does not specify whether or not weekends and holidays are excluded.

RECOMMENDATION: Give the carrier 72-hours to MIRF a bid (excluding holidays and weekends) based on calculation error and up to the day before the shipment packs for erroneous information provided by the government.

RESPONSE: *CLOSED 19 Feb 03 OTO shipments are based on individual shipment requirements. Carrier should ensure that Rates submitted are correct prior to bid submission. Acceptance of MIRF's causes shipment delays, increase workload for transportation offices, MTMC and participating carriers. MTMC will review each MIRF on a case- by- case basis.*

ITEM: 283

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Personal Property Systems Team

SUBJECT: Two Dimensional Bar Code Military Shipping Label – 2DMSL

INITIATED: January 28, 2003

DISCUSSION: Industry requests that MTMC and TRANSCOM provide an update on the status and planned implementation dates for the 2 D Bar Code MSL for Unaccompanied Baggage shipments (UAB).

RECOMMENDATION: Specifically, we request clarification as to whether the requirement will be initially only for baggage originating in the USA and later expanded to all points of origin worldwide. Or, is it planned for the requirement, once in effect, to be for all baggage regardless of origin.

Secondarily, has any additional consideration been given to the consideration that the bar code will be unreadable once the UAB shipments are wrapped, prepared for shipment, palletized and loaded for shipment at the outbound aerial ports? This fact virtually renders the bar code useless and an unnecessary cost driver for the government. The industry wishes to again recommend that the bar code label would be more effective if made a requirement for placement on the consolidated pallet, which is tender to the AMC for movement in the DTS.

RESPONSE: *Closed.* Effective 1 August 2003 in D-7, Domestic Rate Solicitation and under I-14, International Rate Solicitation for International.